

STOCK CODE:3708



致力碳中和・創生新材料

Devoted to carbon neutrality and new materials innovation

SWANCOR HOLDING CO., LTD.

2024

Annual Report

Notice to readers

The English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Printed on April 8, 2025

(This Annual Report is available at: <http://mops.twse.com.tw>)

(Company Website: <http://www.swancor.com>)

I. Name, Title, Telephone Number, and E-mail Address of the Spokesperson and Acting Spokesperson

Spokesperson : Chia-Min Hung Associate Manager
Contact Number : (049) 2255420
Email : Min@swancor.com
Deputy Spokesperson : Li-Min Hung Associate Manager
Contact Number : (049) 2255420
Email : Alice@swancor.com

II. Addresses and Telephone Numbers of Corporate Headquarters, Subsidiaries and Factories

Headquarters : No. 588, Dongmin Rd., Nantou City 540006, Taiwan(R.O.C)
Telephone : (049) 2255420
Subsidiary : **None**
Factory : **None**

III. Name, Address, E-mail Address, and Telephone Number of the Stock Transfer Agency

Meeting : Stock-Affairs Agency Department of Taishin Securities Co., Limited
Address : B1, No. 96, Sec. 1, Jianguo N. Rd., Jhongshan Dist., Taipei City 104, Taiwan (R.O.C.)
Website : <https://www.tssco.com.tw/stocktransfer>
Telephone : (02)25048125

IV. Name of the CPA who Audited the Financial Statements for the Most Recent Year, and the Name, Address and Telephone Number of the CPA's Accounting Firm

Name of CPAs : CPAs Cheng-Hsueh Chen, Tzu-Hsin Chang
Name of the accounting firm : KPMG Taiwan
Address : 68F, No. 7, Section 5, Xinyi Road, Xinyi District, Taipei City, Taiwan (R.O.C.)
Website : www.kpmg.com.tw
Telephone : (02)81016666

V. Name of any overseas securities trading agency and method for inquiring information of such overseas securities: None

VI. Company website : <https://www.swancor.com/tw>

Contents

	Item	Page
CHAPTER 1.	LETTER TO SHAREHOLDERS	1
CHAPTER 2.	CORPORATE GOVERNANCE REPORT	6
	I. INFORMATION REGARDING DIRECTORS, PRESIDENT, VICE PRESIDENT, ASSOCIATE MANAGER, AND MANAGER OF EACH DIVISION AND BRANCH.....	6
	II. REMUNERATION PAID TO DIRECTORS, GENERAL MANAGER AND DEPUTY GENERAL MANAGERS IN THE MOST RECENT YEAR	12
	III. IMPLEMENTATION OF CORPORATE GOVERNANCE.....	16
	IV. INFORMATION ON CPA PROFESSIONAL FEES	61
	V. REPLACEMENT OF CPA	62
	VI. IF THE COMPANY'S CHAIRMAN, GENERAL MANAGER, OR MANAGERS IN CHARGE OF FINANCE AND ACCOUNTING OPERATIONS HELD POSITIONS IN AN ACCOUNTING FIRM OR ITS AFFILIATES IN THE MOST RECENT YEAR, THEIR NAMES, POSITIONS, AND PERIOD OF WORKING SHOULD BE DISCLOSED.	62
	VII. EQUITY TRANSFER OR CHANGES TO EQUITY PLEDGE OF DIRECTORS, SUPERVISORS, MANAGERIAL OFFICERS, OR SHAREHOLDERS HOLDING MORE THAN 10% OF COMPANY SHARES DURING THE PAST YEAR PRIOR TO THE PUBLICATION DATE OF THIS ANNUAL REPORT.....	63
	VIII. TOP 10 SHAREHOLDERS WHO ARE RELATED PARTIES, SPOUSES, OR WITHIN SECOND DEGREE OF KINSHIP TO EACH OTHER	64
	IX. NUMBER OF SHARES HELD AND PERCENTAGE OF STAKE OF INVESTMENT IN OTHER COMPANIES BY THE COMPANY, THE COMPANY'S DIRECTOR, SUPERVISOR, MANAGERIAL OFFICER, OR AN ENTITY DIRECTLY OR INDIRECTLY CONTROLLED BY THE COMPANY, AND CALCULATIONS FOR THE CONSOLIDATED SHAREHOLDING PERCENTAGE OF THE ABOVE CATEGORIES.	65
CHAPTER 3.	CAPITAL OVERVIEW.....	66
	I. CAPITAL AND SHARES	66
	II. CORPORATE BONDS	70
	III. PREFERRED SHARES.	71
	IV. PARTICIPATION IN GLOBAL DEPOSITORY RECEIPTS.....	71
	V. SUBSCRIPTION OF WARRANTS FOR EMPLOYEES	71
	VI. NEW RESTRICTED EMPLOYEE SHARES.....	71
	VII. ISSUANCE OF NEW SHARES IN CONNECTION WITH MERGERS OR ACQUISITIONS OR WITH ACQUISITIONS OF SHARES OF OTHER COMPANIES	74
	VIII. IMPLEMENTATION OF FUND USAGE PLAN.....	75
CHAPTER 4.	BUSINESS OPERATIONAL OVERVIEWS	78
	I. BUSINESS ACTIVITIES	78
	II. MARKET AND PRODUCTION AND SALES OVERVIEW	91
	III. NUMBER OF EMPLOYEES IN THE MOST RECENT TWO YEARS.....	105
	IV. ENVIRONMENTAL PROTECTION EXPENDITURES.....	105
	V. LABOR RELATIONS	106
	VI. SAFETY MANAGEMENT ON INFORMATION AND COMMUNICATION	109
	VII. IMPORTANT AGREEMENTS	111
CHAPTER 5.	FINANCIAL POSITION AND THE REVIEW AND ANALYSIS OF FINANCIAL PERFORMANCE AND RISK	112
	I. FINANCIAL STATUS.....	112
	II. FINANCIAL PERFORMANCE	113
	III. CASH FLOW	114
	IV. MAJOR CAPITAL EXPENDITURES IN THE MOST RECENT YEAR AND THEIR IMPACTS ON THE COMPANY'S FINANCIAL AND OPERATIONS	114
	V. INVESTMENT POLICY IN THE MOST RECENT YEAR, MAIN REASONS FOR ITS PROFIT OR LOSS, IMPROVEMENT PLANS AND INVESTMENT PLAN FOR THE COMING YEAR.	114

VI. RISK MANAGEMENT	114
VII. OTHER IMPORTANT MATTERS.	117
CHAPTER 6. SPECIAL DISCLOSURES.....	118
I. INFORMATION ON THE COMPANY'S ASSOCIATES	118
II. PRIVATE PLACEMENT SECURITIES IN THE MOST RECENT YEAR UP TO THE PUBLICATION DATE OF THIS ANNUAL REPORT.	123
III. OTHER MATTERS THAT REQUIRE ADDITIONAL DESCRIPTION.....	123
CHAPTER 7. EVENTS WITH MAJOR IMPACTS ON SHAREHOLDER EQUITY OR STOCK PRICE DESCRIBED IN SUBPARAGRAPH 2, PARAGRAPH 3, ARTICLE 36 OF THE SECURITIES AND EXCHANGE ACT IN THE MOST RECENT YEAR UP TO THE DATE OF PUBLICATION OF THIS ANNUAL REPORT.	123

Chapter 1. Letter to Shareholders

Dear Shareholders:

First, we would like to express our gratitude for the support and encouragement of all shareholders in the past year.

Swancor Holding Company Limited is an investment holding company. Its main subsidiaries are Swancor Advanced Materials Co., Ltd., Sunwell Carbon Fiber Composite Corporation, Swancor Innovation & Incubation Co., Ltd. and S-Wanlai Co., Ltd.. Its main businesses include the research and development of precision chemicals, carbon composite materials, and innovative materials as well as new business incubation. Its main products include the Anti-corrosion resin, Eco-friendly green energy materials, Carbon Fiber Composite, and Circular Economy Materials.

Swancor Holding Company Limited focuses on the integration of specialty chemicals, composite materials, environmental green energy, and circular economy materials, establishing an integrated industry structure and independent development strategies to enhance overall operational performance and strengthen market competitiveness.

The 2024 business results and 2025 business plan are listed as follows:

I. 2024 Business Report

(I) Implementation results of business plan:

Swancor's consolidated sales was NT\$7.872 billion in 2024, increased by 7.91% compared with 2023, of which sales of environmental protection and green energy materials revenue increased by 15.39%.

The Company's gross profit margin increased by 4.18ppt YoY to 22.48%, which was mainly due to the reduced cost of raw materials.

The net profit attributable to the Company was NT\$284 million, a decreased of 77.39% compared with last year. The earnings per share were NT\$2.71, a decrease of NT\$10.17 compared with last year, This is mainly due to the impact of gain on disposal of investments last year.

(II) Implementation status:

Unit: NT\$ thousands	
Item \ Year	2024Actual Amount
Net operating revenue	7,872,159
Operating costs	6,102,691
Gross profit from operations	1,769,468
Operating expenses	1,373,727
Operating income	395,741
Net non-operating Income (expenses)	105,729
Profit before income tax	501,470
Income tax expenses	130,168
Net profit for this period	371,302
Current Period Profit and Net Income Attributable to Owners of the Parent Company	284,089

Note : Publication of financial forecasts is not required according to regulations.

(III) The financial income and expenditure and profitability analysis are listed below:

Unit: NT\$ thousands

Item		Year	2024
Financial revenue and expenditure	Net operating revenue		7,872,159
	Gross profit from operations		1,769,468
	Profit before income tax		501,470
Profitability	Return on Shareholders' Equity (%)		4.09
	Income before tax to be paid-in capital ratio (%)	Operating income	35.86
		Net profit before income tax	45.45
	Basic Earnings Per Share (NT\$)		2.71
	Diluted Earnings Per Share (NT\$)		2.53

II. Technology Development

Swancor Holdings' has innovation and execution abilities, providing products and technologies that meet customer needs, and supporting corporate growth as well as enhancing profitability.

(I) Anti-Corrosion Resin

Launching a new product, polyurethane pultrusion resin, which is characterized by being lightweight and high-strength, capable of reducing weight, with good insulation and aging resistance. It also has good resistance to corrosive environments like acids, alkalis, and salts, and is effectively flame-retardant. This product can be widely applied in solar panel frames, and building doors and windows, effectively promoting energy-saving and emission reduction.

(II) Recyclable Thermoset Epoxy Resin

In response to the growing trends of carbon neutrality and carbon reduction, Swancor has developed the Recyclable Thermoset Epoxy Resin "EzCiclo". Using Swancor's recyclable thermosetting epoxy to manufacture composite materials offers not only the performance and characteristics of traditional epoxy resins but also aligns with the principles of a circular economy at the end of the product lifecycle. By immersing the composite material in Swancor's developed the degradation solution CleaVER and applying appropriate heat treatment, both resin and fibers can be recovered and reused. This process does not generate waste solvents or emissions, thereby fully meeting the requirements of the circular economy.

EzCiclo of Swancor is a basic epoxy resin that can be used not only in the wind power industry, but also in a wide range of applications, and replace many processes and products that require epoxy resins, such as the consumer electronics, dry-type transformers, sports and leisure, bicycle, rail traffic, marine, and automotive industries. It can transform the thermosetting epoxy resins that are not recyclable to environmentally friendly products that can be recycled.

(III) Wind Turbine Laminar Epoxy Resin

Swancor's innovative product, "EzCiclo," can be used in wind turbine blade infusion, replacing the traditional infusion resin and providing blade manufacturers with more diversified product choices. The recyclable thermosetting epoxy resin has been sold to internationally benchmarked clients and is undergoing certification testing with clients in mainland China.

(IV) High-Performance Carbon Fiber Prepreg Sheets and Pultruded Carbon Fiber Plates

In addition to the carbon fiber prepreg sheets and pultruded carbon fiber plates originally provided, Swancor has developed and used "SWANCOR HYVER" and "EzCiclo" prepreps and pultruded sheets to provide customers with more diversified product choices.

III. Recent Corporate Development Overview

In 2024, EzCiclo was successfully applied to wind turbine blades, contributing to the realization of fully recyclable wind turbines for clients. Since then, there has been ongoing collaboration with other wind in response to their demands for recyclable blades.

EzCiclo products have passed ISO 14021 certification, and a declaration of recycled material has been made. The composite materials made with EzCiclo can reach a recycling rate of $\geq 95\%$. EzCiclo, through degradation and recycling, secured the world's first Global Recycled Standard certification for 100% recycled carbon fiber, substantiating the viability of EzCiclo's sustainable circular utilization. Recently, in quantifying the carbon emissions throughout the entire product life cycle and obtaining ISO 14067:2018 certification, Swancor's EzCiclo recyclable thermosetting epoxy resin has demonstrated a reduction of about 42% in carbon footprint compared to traditional resins, further validating the recycling economy of EzCiclo & CleaVER.

IV. Business Plan for 2025

Swancor, as an Investment Holding Company, outlines below the strategic directions and plans for its principal product categories for fiscal year 2025.

1. Anti-corrosion resin:

China: Aligned with the environmental protection directives of China, the Company proactively captures business opportunities across various environmental application sectors, enhancing supply chain management to deliver competitively superior products to clients. It extends its outreach to clients in the composite materials sector and maintains its developmental focus on innovation in products and applications. The Company bolsters its geographical expansion strategy, intensifying sales initiatives in peripheral regions through distributors, thereby augmenting its market presence and sustaining revenue growth.

Global: Leveraging successful market strategies from Taiwan and China, the Company allocates resources to strategically initiate regional projects. In collaboration with distributors, it cultivates markets in Southeast Asia, India, and the Middle East, aiming to elevate market penetration. It advances the application of HYVER in maritime industries and establishes production partnerships with strategic allies in Europe and North America to enhance its competitive edge, increase market share, and boost profitability.

The Company established a subsidiary in the Netherlands to provide proximate technical services and collaborate with European academic and research institutions, integrating materials from the product development phase.

The medium and long-term goal of anti-corrosion material business unit is to achieve the No. 1 market share in Asian market.

2. Eco-friendly green energy materials:

China: The Company keeps abreast of industry market trends and government policies, continuously strengthening strategic alliances with complete machine manufacturers in China to enhance technical service capabilities and brand strength. It is dedicated to acquiring new clients and increasing market penetration. Capitalizing on its capacity across multiple locations, the Company collaborates closely with clients who are expanding in the international market.

Global: Leveraging product quality, technical capabilities, and the Company's achievements in Taiwan's offshore wind power industry, the wind turbine blade resins have been certified by major international wind turbine manufacturers and received orders. The Company is committed to cultivating new clients and establishing production cooperation with strategic partners in Europe to enhance competitiveness through proximate service and supply. Concurrently, it seizes opportunities in emerging industries such as offshore wind power in Taiwan, continuously exploring new application opportunities, increasing market share, and enhancing profitability.

In the medium and long term, our goal is to become a technology leader in wind turbine blade materials.

3. Carbon Fiber Composite:

Mainly pultruded plates and prepreg sheets:

Pultruded plates: The products have been certified by leading international wind turbine manufacturers and major customers in China and have received orders from them. The products are mainly used for wind turbine blade spars. Swancor will continue to refine its product quality, improve its yield of products and technological capabilities, and actively explore and obtain accreditation from new customers to ensure the stable supply of upstream carbon and glass fibers and accelerate sustainable growth.

Prepreg sheets: We will actively explore new customers and applications outside of wind power industry, increase capacity utilization rate, and develop innovative recyclable prepreg sheets in combination with recyclable resins to accelerate sustainable growth.

In addition to the sustainable development of the two major products, we will integrate the resources of Cotech Inc. and move from materials to carbon fiber molded components, so as to exploit the combined effect and develop more customers for carbon fiber composite material applications in aerospace industry and new energy vehicles. We follow the demands of the markets and customers closely to develop materials and provide products for industry applications such as drones and robotics. We are investing in research and development resources to foster the capabilities in design and manufacturing for high-pressure hydrogen cylinders, as well as actively developing new products to drive growth with new momentum.

4. Circular Economy Materials:

The introduction of new products such as EzCiclo and CleaVER marks the beginning of diversified development in application fields including recyclable resins, recyclable pre-impregnated fabrics, recyclable extruded sheets, etc. These products are applicable across various composite materials. A distinguishing feature of these products is their durability and the capability to be recycled and degraded using CleaVER upon reaching the end of their useful life, thus achieving sustainable circular use. Additionally, the Company has developed various maritime applications for the recycled low-carbon materials recovered post-recycling, completing the circular economy loop for EzCiclo.

In response to the demands of customers, we have continued to invest in the development of low-carbon and recyclable materials, helping consumer brand companies achieve carbon reduction goals as quickly as possible.

V. Impact by external competition environment, regulatory environment and overall operating environment

Fixed export ratio of the Company was approximately 85%, and the competitors were peers all over the world, where, with sales volume accounting for 50%, Mainland China was our main market. However, in China, factors such as the economic decoupling from the United States, withdrawal of foreign capital, unresolved difficulties in the real estate sector, and weakening domestic consumer spending have impacted operations. In response, the Company is investing in niche markets outside of China and strengthening customer relationships to adapt. Chinese enterprises commonly employ price competition as a sales strategy. The Company has adjusted its procurement strategies for critical raw materials to reduce inventory levels and enhance product competitiveness.

The Company has long been entrenched in the environmental sector, with a focus on corrosion-resistant environmental materials and supplying materials for green wind energy and lightweight carbon fiber composites. Recently, the Company launched the recyclable thermosetting epoxy resin product line, EzCiclo, which addresses the recycling challenges of "thermoset composites" that have persisted since the 1930s. In response to climate change and global warming, countries are increasingly focusing on energy conservation and carbon reduction, aiming for net-zero emissions, supported by relevant policies and regulations. This shift presents new opportunities and benefits for the Company in its transition to net-zero.

This year, due to uncertainties in geopolitical risks, unclear tariff policies arising from trade barriers in various countries, as well as fiscal issues across European nations leading to a lack of economic momentum and rising costs, the economic recovery in China is unclear and growth is slowing. Consequently, the global economic outlook remains bleak. The operational risks for businesses are significant. We will continue to leverage our competitive advantages while expanding, conducting thorough risk assessments and implementing preventative measures beforehand to mitigate risks and achieve operational objectives.

VI. Future Prospects

In the coming year, building on the business foundations developed over the past few years, we will pursue a dual-strategy focus on solidifying core operations and developing new ventures. Focusing on the diversified commercialization and mass production of EzCiclo and CleaVER, we aim to become a leading green recycling material company and a low-carbon supply chain provider. We will further deepen and expand academic-industrial collaborations with a research and development focus on carbon neutrality, carbon capture, storage, reuse, and carbon fiber recycling applications, committing to research and development related to carbon neutrality. Supported by proactive investments in carbon-neutral related enterprises, we are earnestly developing the circular economy, aspiring to become experts in carbon reduction committed to carbon neutrality.

Swancor Holdings plans to merge companies with excellent teams and products, in the hope to generate synergy and strengthen competitiveness to accomplish its mission of “Devoted to carbon neutrality and new materials innovation” and lay a broader foundation for corporate sustainability and profitability.

Finally, we would like to express our sincere gratitude to all shareholders for your love and care over the past years, and we would appreciate your continued support for the future. Please feel free to give us any advice or opinions.

I wish you all the best.

Good Health and Good Luck.

Chairman : Jau-Yang Tsai

Chapter 2. Corporate Governance Report

I. Information Regarding Directors, President, Vice President, Associate Manager, and Manager of Each Division and Branch

(I) Information Regarding Directors:

1. Information of Directors

March 28, 2025																				
Title	Nationality or place of registration	Name	Gender Age interval	Date elected	Term (years)	Date first elected	Shareholding when elected		Current shareholding		Spouse & minor shareholding		Shareholding by nominees		Education and work experiences	Other position concurrently held at the Company or other companies	Executives, directors or supervisors who are spouses or within the second degree of kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	Republic of China	Tsai's Family Holding Co., Ltd.	-	2022.05.31	3 years	2022.05.31	10,683,625	11.43	19,380,658	17.56	0	0	0	0	Master's degree, Department of Chemical Engineering, National Tsing Hua University Department of Business Administration, National Cheng Chi University	Chairman of Swancor Holding Co., Ltd, Swancor Innovation & Incubation Co., Ltd., Swancor Advanced Materials Co., Ltd., Swancor Highpolymer Co., Ltd., Sunwell Carbon Fiber Composite Corporation	Director	Hsiao-Yi Tsai	Son	(Note 1)
		Representative: Jau-Yang Tsai	Male 61-69				8,957,033	9.58	2,657,000	2.41	0	0	12,762,943	11.57			General Manager	Hsiao-Te Tsai	Son	
Director	Republic of China	Tsai's Family Holding Co., Ltd.	-	2022.05.31	3 years	2022.05.31	10,683,625	11.43	19,380,658	17.56	0	0	0	0	Department of Accounting Information, Da Yeh University Procurement Specialist of Swancor Highpolymer Co., Ltd. Deputy Section Manager of Swancor Carbon Fiber Composite Corporation	Chairman of S-Wanlai Co., Ltd., Sunwell (Jiangsu) Carbon Fiber Composite Co., Ltd. Director of Sunwell Carbon Fiber, Swancor (Tianjin) Wind Blade Materials Co., Ltd., Swancor(Jiangsu) New Materials Co., Ltd. Special Assistant to the Chairman of Swancor Holding Co., Ltd	Chairman	Jau-Yang Tsai	Father	
		Representative: Hsiao-Yi Tsai	Male 31-40				521,000	0.56	1,393,860	1.26	0	0	2,461,727	2.23			General Manager	Hsiao-Te Tsai	Brother	
Director	Republic of China	Pan-Chiang Yang	Male 61-69	2022.05.31	3 years	2019.05.31	97,311	0.10	97,311	0.09	0	0	0	0	College of Law, National Taiwan University Attorneys-at-law of Root Law Office Junior partner lawyer of Formosa Transnational Attorneys at Law Arbitrator of Chinese Arbitration Association, Taipei Supervisor of Taichung Bar Association Volunteer attorney and Chairperson of Consumers' Foundation Chinese Taipei, Taichung Branch Member of the Petitions and Appeals Committee and Consumer Dispute Mediation Commission of Taichung City Government Taiwan City Government Public Nuisance Dispute Mediation Committee Member Legal Aid Lawyer, Member of Screening Committee, Member of Rehearing Committee, Legal Aid Foundation	Lawyer at Pan-Chiang Yang Law Office	Nil	Nil	Nil	

Title	Nationality or place of registration	Name	Gender Age interval	Date elected	Term (years)	Date first elected	Shareholding when elected		Current shareholding		Spouse & minor shareholding		Shareholding by nominees		Education and work experiences	Other position concurrently held at the Company or other companies	Executives, directors or supervisors who are spouses or within the second degree of kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	Republic of China	Kuei-Tuan Chen	Male More than 70	2022.05.31	3 years	2019.05.31	410,527	0.44	454,527	0.41	0	0	0	0	Master of Public Finance, Department of Public Finance, National Cheng Chi University PhD, Department of Economic Law, China University of Political Science and Law, Beijing Professor and Director of the Department of Accounting, and Director of Center for Corporate Governance, Feng Chia University Senior legislative assistant of the Legal Counsel Center, Legislative Yuan Arbitrator of Chinese Taipei and Guangzhou Arbitration Commission Executive Director of Taiwan Certified Public Accountant Association	Professor of the Department of Accounting, Feng Chia University CPA, EnWise CPAs & Co. Independent Director of Lee Chi Enterprises Co., Ltd., and Chumpower Machinery Corp.	Nil	Nil	Nil	
Independent Director	Republic of China	Hsiu-Chun Wang	Male 61-69	2022.05.31	3 years	2016.10.19	0	0	0	0	9,360	0.01	0	0	PhD, Department of Engineering-Economic Systems, Stanford University Bachelor of Department of Electrical Engineering, National Tsing Hua University General Manager of WK Innovation Ltd. Principal Analyst for Global Semiconductor, ABN AMRO Bank	Managing Partner, GRC Managers Limited Independent Director of TPK Holding Co., Ltd.	Nil	Nil	Nil	
Independent Director	Singapore	Jui-Hua Li	Male More than 70	2022.05.31	3 years	2019.05.31	0	0	0	0	0	0	0	0	Master Degree, Stanford Graduate School of Business Deputy General Manager and Head of Human Resources of TSMC Vice President of Asia Pacific at Lucent Technologies Inc. General Manager for Greater China at Polaroid Corporation General Manager of General Electric (China) Co. Ltd. Managing Director for Southeast Asia at DuPont	Adjunct Contracted Professor of the College of Commerce at National Cheng Chi University Distinguished Professor, School of Management, Shanghai Fu Dan University	Nil	Nil	Nil	
Independent Director	Republic of China	Chung-Ming Liu	Male More than 70	2022.05.31	3 years	2019.05.31	0	0	0	0	0	0	0	0	MBA of Stanford University; Master & PhD of Chemistry, Columbia University; Bachelor of Department of Chemistry, National Tsing Hua University President and Vice President of ITRI Chairman of the Chinese Chemical Society Chairman of The Polymer Society, Taipei Chairman of Industrial Technology Investment Corporation	Distinguished expert of ITRI Independent Director of APAQ Technology Co., Ltd. and Andros Pharmaceuticals Co., Ltd.	Nil	Nil	Nil	

Title	Nationality or place of registration	Name	Gender Age interval	Date elected	Term (years)	Date first elected	Shareholding when elected		Current shareholding		Spouse & minor shareholding		Shareholding by nominees		Education and work experiences	Other position concurrently held at the Company or other companies	Executives, directors or supervisors who are spouses or within the second degree of kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	Republic of China	Sheng-Chung Lin	Male More than 70	2022.05.31	3 years	2019.05.31	0	0	0	0	0	0	0	0	PhD in Institute of Natural Resource Management, National Taipei University Master of Economics, National Taiwan University Chairman of CPC Chief Delegate and Administrative Deputy Minister of the Ministry of Economic Affairs CEO of Taiwan WTO and RTA Center, Chung-Hua Institution for Economic Research Heads of Delegation of Permanent Mission of the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu to the WTO Chief of Public Works Department, Taipei City Government	Honorary Professor, Department of International Business, Chung Yuan Christian University Consultant of Chinese National Association of Industry and Commerce, Taiwan (CNAIC) Independent Director of Century Iron and Steel Industrial Co. Ltd, Formosa Taffeta Co. Ltd and Taiwan Glass Industry Corporation	Nil	Nil	Nil	

Note 1: Where the chairman and president or equivalent position (highest level managerial officer) is the same person, the spouse, or a first-degree relative, provide information on the reason, reasonableness, necessity, and future improvement measures (such as increasing the number of independent director seats and more than half of all directors not concurrently serving as employees or managerial officers):

The Chairman and the General Manager of the Company are first-degree relatives, as part of the management succession plan, to implement corporate governance culture, enhance operational efficiency, and improve decision-making and execution capabilities. In addition to the following measures at present , through the succession planning of important management levels, suitable personnel are trained to strengthen the independence of the board of directors:

- There are four independent directors, more than one-half (inclusive) of all directors. They are specialized in financial accounting and industrial fields, and can effectively perform their supervisory functions.
- Each director is required to undergo at least 6 hours of professional training annually to continuously enhance their knowledge and improve the efficiency of the board's operations.
- Independent directors can fully discuss and provide recommendations in functional committees to the Board of Directors in implementing corporate governance.
- Over half of the directors in the Board of Directors do not concurrently serve as an employee or managerial officer.

2. Major Shareholders of Institutional Shareholders:

Institutional Shareholders	Major Shareholders of Institutional Shareholders	%
Tsai's Family Holding Co., Ltd.	Jau-Yang Tsai	63.05
	Hsiao-Yi Tsai	13.24
	Hsiao-Wei Tsai	11.71
	Hsiao-Te Tsai	12.00

3. List of Institutional Shareholders of SOI's Major Institutional Shareholders: None.

4. Independence of Directors

4-1. Disclosure of professional qualifications of directors and independence of independent directors:

Conditions Name	Professional Qualifications and Experience	Circumstances of Independence	Number of independent directors of holding a concurrent post of other public offering companies
Chairman Jau-Yang Tsai	1. As the founder of The Company, he is not only familiar with the development of the Company's industrial field, but also advanced in the management and decision-making of the company, leading the Company's sustainable development. 2. Not subject to the circumstances in Article 30 of the Company Law. 3. For major education / experience, please see Page 6.	N/A	0
Directors Hsiao-Yi Tsai	1. Professional in financial accounting and industrial knowledge. 2. Not subject to the circumstances in Article 30 of the Company Law. 3. For major education / experience, please see Page 6.	N/A	0
Directors Pan-Ching Yang	1. A practicing lawyer with legal professional qualification. 2. Not subject to the circumstances in Article 30 of the Company Law. 3. For major education / experience, please see Page 6.	N/A	2
Directors Kuei-Tuan Chen	1. A certified public accountant with professional qualification of financial accounting. 2. Not subject to the circumstances in Article 30 of the Company Law. 3. For major education / experience, please see Page 6.	N/A	2
Independent director Hsiu-Chun Wang	1. Professional in operation and management, leadership and decision-making and industrial knowledge. 2. Not subject to the circumstances in Article 30 of the Company Law. 3. For major education / experience, please see Page 7.	1. The independent director complies with the independence requirements of Article 3 of the "Regulations on the Establishment of Independent Directors of Public Offering Companies and Matters to be Observed". 2. For relevant information, see Page 7.	1
Independent director Jui-Hua Li	1. Professional in operation and management, leadership and decision-making, and financial accounting. 2. Not subject to the circumstances in Article 30 of the Company Law. 3. For major education / experience, please see Page 7.	1. The independent director complies with the independence requirements of Article 3 of the "Regulations on the Establishment of Independent Directors of Public Offering Companies and Matters to be Observed". 2. For relevant information, see Page 7.	0
Independent director Chung-Ming Liu	1. Professional in industrial knowledge 2. Not subject to the circumstances in Article 30 of the Company Law. 3. For major education / experience, please see Page 7.	1. The independent director complies with the independence requirements of Article 3 of the "Regulations on the Establishment of Independent Directors of Public Offering Companies and Matters to be Observed". 2. For relevant information, see Page 7.	2
Independent director Sheng-Chung Lin	1. Professional in operation and management, leadership and decision-making, industrial knowledge and financial accounting 2. Not subject to the circumstances in Article 30 of the Company Law. 3. For major education / experience, please see Page 8.	1. The independent director complies with the independence requirements of Article 3 of the "Regulations on the Establishment of Independent Directors of Public Offering Companies and Matters to be Observed". 2. For relevant information, see Page 8.	3

4-2. Diversification and Independence of the Board of Directors:

(I) Diversification of the Board of Directors:

- (1) In order to strengthen corporate governance and promote the sound development of the composition and structure of the Board of Directors, the Company has a policy of diversification in the “Code of Practice on Corporate Governance” and the “Measures for the Election of Directors”
- (2) The composition of the Board of Directors takes into account the Company's business structure, business development and strategy, and evaluates the diversification aspects such as A, basic conditions and values: gender, age, nationality and culture. B. Professional knowledge and skills: professional background (e.g. law, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc. For information on the diversification and its implementation of directors of the company are as follow:

Company are as follow:

Diversified core		Basic component										Operation and management	Leadership and decision-making	Industrial knowledge	financial accounting	Law
Item		Nationality or place of registration	Gender	Regarding the company's employees	Age interval				Seniority of Independent Directors							
Member					30 ~ 40	51 ~ 60	61 ~ 69	More than 70	Under 3 years	4~6 years	7~9 years or more					
Title	Name															
Chairman	Jau-Yang Tsai	Republic of China	Male				✓					✓	✓	✓		
Director	Hsiao-Yi Tsai	Republic of China	Male	✓	✓									✓	✓	
Director	Kuei-Tuan Chen	Republic of China	Male					✓							✓	
Director	Pan-Chiang Yang	Republic of China	Male				✓									✓
Independent Director	Hsiu-Chun Wang	Republic of China	Male				✓				✓	✓	✓	✓		
Independent Director	Jui-Hua Li	Singapore	Male					✓		✓		✓	✓		✓	
Independent Director	Sheng-Chung Lin	Republic of China	Male					✓		✓		✓	✓	✓	✓	
Independent Director	Chung-Ming Liu	Republic of China	Male					✓		✓				✓		

- (3) Due to the nature of our industry, it is challenging to find female directors whose professional abilities and experience meet the company's requirements. In 2021, as part of our policy to enhance gender diversity on the board, we set a goal that during the fourth term (2025) board election, at least one seat should be held by a female director. In the future, besides proactively seeking female professionals with industry experience to join, we will also increase the pool of future female director candidates through the company's internal manager succession plan and regularly review the progress of board diversity.

(II) Independence of the Board of Directors:

The company has 8 directors, including 4 independent directors, accounting for 50% of the total number of directors. Please refer to Page 6-8 for any specified circumstances on items 3 and 4 of Article 26-3 of the Securities and Exchange Act among directors and independent directors.

(II) General Manager, Deputy General Managers, Associate Manager, and Supervisors of Divisions and Branches:

March 28, 2025

Title	Nationality	Name	Gender	Date elected	Shareholding		Spouse/minor shareholding		Shareholding by nominees		Education and Work Experiences	Other position concurrently held at the Company or other companies	Managers who are spouses or within the second degree of kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
General Manager (Note 2)	Republic of China	Jau-Yang Tsai (Note 2)	Male	2021.05.28	2,657,000	2.41	0	0	12,762,943	11.57	Master's degree, Department of Chemical Engineering, National Tsing Hua University Department of Business Administration, National Chengchi University	Chairman of Swancor Holding Co., Ltd, Swancor Innovation & Incubation Co., Ltd., Swancor Advanced Materials Co., Ltd., Swancor (Tianjin) Wind Blade Materials Co., Ltd., Swancor (Jiangsu) New Materials Co., Ltd., and Swancor (Jiangsu) Carbon Composite Co., Ltd.; Chairman of Swancor Highpolymer Co., Ltd.; Chairman of Sunwell Carbon Fiber Composite Corporation	General Manager	Hsiao-Te Tsai	Son	(Note 1)
General Manager (Note 2)	Republic of China	Hsiao-Te Tsai (Note 2)	Male	2025.01.01	1,393,816	1.26	0	0	2,229,839	2.02	Department of International Business Administration, Tunghai University Founder of Raf Kampu	Director of Swancor Innovation & Incubation Co., Ltd.	Chairman	Jau-Yang Tsai	Father	(Note 1)
Associate Manager	Republic of China	Chia-Min Hung	Female	2019.11.01	16,000	0.01	0	0	0	0	EMBA, Nation Chung Hsing University KPMG Taiwan	General Manager of COTECH INC. Supervisor of Swancor Advanced Materials Co.,Ltd.	-	-	-	
Associate Manager	Republic of China	Li-Min Hung	Female	2023.08.08	20,162	0.02	0	0	0	0	Master of Business Administration in Financial Technology and Administration at National Changhua University of Education.	Director of Gigantex Composite Technologies Co., Ltd. Supervisor of COTECH INC.	-	-	-	
Associate Manager	Republic of China	Chi-Nan Lai (Note 3)	Male	2025.01.01	NA	NA	NA	NA	NA	NA	Department of Finance, Peking University Department of Social Development, National Taichung University of Education Hon Hai Precision Industry Co., Ltd. Grand Tech Group Limited	NA	-	-	-	

Note 1: Where the chairman and president or equivalent position (highest level managerial officer) is the same person, the spouse, or a first-degree relative, provide information on the reason, reasonableness, necessity, and future improvement measures (such as increasing the number of independent director seats and more than half of all directors not concurrently serving as employees or managerial officers):

The Chairman and the General Manager of the Company are first-degree relatives, as part of the management succession plan, to implement corporate governance culture, enhance operational efficiency, and improve decision-making and execution capabilities. In addition to the following measures at present, through the succession planning of important management levels, suitable personnel are trained to strengthen the independence of the board of directors:

1. There are four independent directors, more than one-half (inclusive) of all directors. They are specialized in financial accounting and industrial fields, and can effectively perform their supervisory functions.
2. Each director is required to undergo at least 6 hours of professional training annually to continuously enhance their knowledge and improve the efficiency of the board's operations.
3. Independent directors can fully discuss and provide recommendations in functional committees to the Board of Directors in implementing corporate governance.
4. Over half of the directors in the Board of Directors do not concurrently serve as an employee or managerial officer.

Note 2: Jau-Yang Tsai, the General Manager, resigned on December 31, 2024, and Hsiao-Te Tsai was appointed as the new General Manager on January 1, 2025.

Note 3: Chi-Nan Lai, the Associate Manager, was serving at another subsidiary, transferred to the Company on January 1, 2025, and resigned on January 22, 2025.

II. Remuneration Paid to Directors, General Manager and Deputy General Managers in the Most Recent Year:

(I) Remuneration to Directors and Independent Directors

Unit: NT\$ thousands/%																						
Title	Name	Remuneration								Ratio of the total of 4 items A, B, C and D to net income after taxes		Relevant remuneration received by directors who are also employees								Proportion of NIAT after summing the seven items of A, B, C, D, E, and F		Remuneration paid to directors from an invested company other than the Company's subsidiaries or parent company
		Remuneration (A)		Severance pay and pension (B)		Remuneration of Directors (C)		Business expense (D)				Salary, Bonus and Special Allowance (E)		Retirement pension (F)		Employee's compensation (G)						
		The Company	All companies listed in this Financial Report	The Company	All companies listed in this Financial Report	The Company	All companies listed in this Financial Report	The Company	All companies listed in this Financial Report	The Company	All companies listed in this Financial Report	The Company	All companies listed in this Financial Report	The Company	All companies listed in this Financial Report	The Company		All companies listed in this Financial Report		The Company	All companies listed in this Financial Report	
																Cash	Stock	Cash	Stock			
Directors	Representative of Tsai's Family Holding Co., Ltd. : Jau-Yang Tsai	0	0	0	0	1,820	1,820	30	30	1,850 0.65%	1,850 0.65%	5,494	8,511	0	0	0	0	0	0	7,344 2.58%	10,361 3.65%	0
Directors	Representative of Tsai's Family Holding Co., Ltd. : Hsiao-Yi Tsai	0	0	0	0	200	200	25	25	225 0.08%	225 0.08%	945	945	52	52	117	0	117	0	1,339 0.47%	1,339 0.47%	0
Directors	Kuei-Tuan Chen	0	0	0	0	750	750	30	30	780 0.27%	780 0.27%	0	0	0	0	0	0	0	0	780 0.27%	780 0.27%	0
Directors	Pan-Chiang Yang	0	0	0	0	750	750	30	30	780 0.27%	780 0.27%	0	0	0	0	0	0	0	0	780 0.27%	780 0.27%	0
Independent Director	Hsiu-Chun Wang	0	0	0	0	1,000	1,000	15	15	1,015 0.36%	1,015 0.36%	0	0	0	0	0	0	0	0	1,015 0.36%	1,015 0.36%	0
Independent Director	Jui-Hua Li	0	0	0	0	1,000	1,000	20	20	1,020 0.36%	1,020 0.36%	0	0	0	0	0	0	0	0	1,020 0.36%	1,020 0.36%	0
Independent Director	Sheng-Chung Lin	0	0	0	0	1,000	1,000	30	30	1,030 0.36%	1,030 0.36%	0	0	0	0	0	0	0	0	1,030 0.36%	1,030 0.36%	0
Independent Director	Chung-Ming Liu	0	0	0	0	1,000	1,000	25	25	1,025 0.36%	1,025 0.36%	0	0	0	0	0	0	0	0	1,025 0.36%	1,025 0.36%	0
1. Please describe the policies, systems, standards and structure of the remuneration for independent directors, and explain the relevance of the amount of remuneration paid based on factors such as responsibility, risk, and time period: According to the Articles of Association of the Company, if have profit of contributions is not higher than 3% a year as the reward for the director as the foundation, according to each term of the independent directors, to participate in the Remuneration Committee, Audit Committee and Sustainable Development Committee and other functional committee present situation, performance, contribution and risk of major policy decisions, and consider with the operation and management of communication between the company executives times/time and advice. After a review by the Remuneration Committee, the proposed remuneration shall be submitted to the Board of Directors for resolution.																						
2. Except as disclosed in the above table, the remuneration received by the directors of the Company for providing services in the most recent year (e.g., as consultants to all the companies listed in the parent company/financial reports/subventures other than employees): None.																						

(II) Remuneration for General Manager and Deputy General Managers

Unit: thousand NT\$ / %

Title	Name	Salary (A)		Severance pay and pension (B)		Bonuses and Allowances (C)		Employee’s remuneration (D)				Total amount of A, B, C and D and percentage of after-tax pure profit (%)		Remuneration paid to directors from an invested company other than the Company’s subsidiaries or parent company
		The Company	All companies listed in this Financial Report	The Company	All companies listed in this Financial Report	The Company	All companies listed in this Financial Report	The Company		All companies listed in this Financial Report		The Company	All companies listed in this Financial Report	
								Cash	Stock	Cash	Stock			
General Manager (Note 1)	Jau-Yang Tsai (Note 1)	4,874	7,437	0	0	620	1,074	0	0	0	0	5,494 1.93%	8,511 3.00%	0
General Manager (Note 2)	Hsiao-Te Tsai (Note 2)	0	630	0	39	0	53	0	0	500	0	0 0%	1,222 0.43%	0

Note 1: Jau-Yang Tsai, the General Manager, resigned on December 31, 2024.

Note 2: Hsiao-Te Tsai, the General Manager, was transferred from other subsidiary to the Company as General Manager on January 1, 2025.

(III) Amount of Employee Bonus Paid to Managerial Officers and Their Names:

Unit: NT\$ thousands March 31, 2025

	Title	Name	Stock	Cash	Total	Ratio of total amount to net income (%)
Manager	General Manager (Note 1)	Jau-Yang Tsai (Note 1)	0	1,960	1,960	0.69%
	General Manager (Note 1)	Hsiao-Te Tsai (Note 1)				
	Associate Manager	Li-Min Hung				
	Associate Manager	Chia-Min Hung				
	Associate Manager	Chi-Nan Lai (Note 2)				

Note 1: Jau-Yang Tsai, the General Manager, resigned on December 31, 2024, and Hsiao-Te Tsai was appointed as the new General Manager on January 1, 2025.

Note 2: Chi-Nan Lai, the Associate Manager, was serving at another subsidiary, transferred to the Company on January 1, 2025, and resigned on January 22, 2025.

(IV) The ratio of total remuneration paid by Swancor and by all companies included in the consolidated financial statements for the two most recent fiscal years to directors, supervisors, General Manager and Deputy General Managers of the Company, as a percentage of net income stated in the parent company only or unconsolidated financial reports, and the policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with risks and business performance:

- (1) The ratio of total remuneration paid for the two most recent fiscal years to directors, supervisors, General Manager and Deputy General Managers of the Company, as a percentage of net income stated in the parent company only financial reports or unconsolidated financial reports: The ratio of total compensation paid by Swancor for the two most recent fiscal years to directors, supervisors, General Manager and Deputy General Managers of the Company, as a percentage of net income is as follows:

Title	2023		2024	
	Parent Company Only Financial Statements	Consolidated Financial Statements	Parent Company Only Financial Statements	Consolidated Financial Statements
Directors	2.64%	2.89%	5.05%	6.11%
General Managers and Deputy General Managers	0.48%	0.73%	1.93%	3.43%

- (2) Policies, Standards, and Portfolios of Remuneration; Procedures for Determining Remuneration; and Correlation between Business Performance and Future Risks

A. Directors

No higher than 3% of profit of the current year is distributable as remuneration to directors in accordance with Article 30 of the Company's Articles of Incorporation. In allocating remuneration, we not only consider the Company's overall business achievements, industry risks, and future development trends, but also the individual performance and contribution of directors (such as investment time, business

communication with senior executives, and strategy advice, etc.), which shall be submitted for resolution of the board of directors after review by the Remuneration Committee. In addition, the travel expenditures for performing duties and attending board meetings are also included.

B. General Managers and Deputy General Managers

Article 30 of the Articles of Incorporation that if there is any profit in the current year, no less than 0.01% shall be paid for employees. Manager's remuneration includes salary and bonus, in which salary refers to market salary level, title, rank, academic background(experiences), professional ability and responsibility, etc., The bonus considers manager performance evaluation items, including financial indicators (such as company revenue, net profit before tax and net profit after tax). Non-financial indicators (major deficiencies in compliance with decrees and operation risk matters of the departments under their jurisdiction, implementation of corporate culture by the personnel under their jurisdiction, the effectiveness of ESG implementation.) and in accordance with the principle of distribution recommended by the compensation committee, the Board of directors shall check and approve according to business performance.

III. Implementation of Corporate Governance:

(I) Board operations:

A total of the 6th (A) meetings were held by the Board in the most recent year (2024). The attendance of the Directors are as follows:

Title	Name	Attendance in person B	By proxy	Actual attendance rate (%) (B/A)	Remarks
Chairman	Jau-Yang Tsai	6	0	100	
Director	Hsiao-Yi Tsai	6	0	100	
Director	Kuei-Tuan Chen	6	0	100	
Director	Pan-Chiang Yang	6	0	100	
Independent Director	Hsiu-Chun Wang	6	0	100	
Independent Director	Jui-Hua Li	5	1	83	
Independent Director	Sheng-Chung Lin	6	0	100	
Independent Director	Chung-Ming Liu	5	1	83	

Other matters:

- I. Where the proceedings of the board meeting include one of the following circumstances, then describe the date, session, topic discussed, opinions of every independent director, and their handling by the Company:
 - (I) Items listed in Article 14-3 of the Securities and Exchange Act: Please refer to page 55-58.
 - (II) Any recorded or written Board resolutions to which independent directors have an objection or reservation that should be noted in addition to the above: None.
- II. Recusal of Directors due to conflict of interests (the name of the Directors, the content of the proposals, reasons for recusal, and participation in voting shall be stated):
 - (I) February 1, 2024 board meeting: When discussing the year-end bonus plan and various bonus and subsidy payment plans of the Company's managers in 2023, as it involves the remuneration received by Jau-Yang Tsai, the Chairman of the Board of Directors, as the company's general manager, which is related to personal interests, he abstained from voting. The remaining directors present approved the proposal without objection.
 - (II) November 7, 2024 board meeting: Discussing the resignation and appointment of the Company's General Manager, as Jau-Yang Tsai, the Chairman, concurrently serves as the General Manager of the Company, which relates to their personal interests, they recused themselves and did not participate in the voting. The remaining directors present approved the proposal without objection.
 - (III) January 21, 2025 board meeting: Discussing the year-end bonus plan for the Company's managerial personnel for the fiscal year 2024, various bonus and subsidy payment proposals, as well as the remuneration plan for the Chairman of the Company. This is due to the involvement of Jau-Yang Tsai, the Chairman's remuneration during his tenure as the Company's General Manager, and the fixed compensation to be received by the Chairman in the future, which is related to personal interests, he abstained from voting. The remaining directors present approved the proposal without objection.

III. Implementation of self/peer evaluation of the board of directors:

Evaluation Cycle	Period of Evaluation	Scope	Evaluation Methods	Assessment Content
Once/Year	January 1, 2024~ December 31, 2024	Board of Directors	Fill in the "self-evaluation questionnaire for performance evaluation of Board "	I. The degree of participation in the company's operations. II. Improving the quality of board decision-making. III. Composition and Structure of the Board. IV. Election and Continuing Education of Directors. V. Internal control.
Once/Year	January 1, 2024~ December 31, 2024	Individual Directors	Fill in the "self-evaluation questionnaire for performance evaluation of Board members"	I. Alignment of the goals and missions of the Company. II. Awareness of the duties of a Director. III. Participation in the operation of the Company. IV. Management of internal relationship and communication. V. The Director's professionalism and continuing education. VI. Internal control. VII. Other contributions
Once/Year	January 1, 2024~ December 31, 2024	Remuneration Committee, Audit Committee and Sustainable Development Committee	Fill in the Functional Committee Performance Self-Evaluation Questionnaire	I. Participation in the operation of the Company. II. Cognition of functional committees' responsibilities. III. Improvement of the decision-making quality of functional committees. IV. Composition and selection of members of the functional committees. V. Internal control.
The evaluation is carried out by external professional independent institutions every three years	September 1, 2022 ~ August 31, 2023	Performance evaluation of the board of directors	The evaluation was conducted by the Taiwan Corporate Governance Association, which reviewed relevant documents and interviewed relevant personnel.	I. Composition of the Board of Directors. II. Board of Directors' Guidance. III. Board of Directors' Authorization. IV. Board of Directors' Supervision. V. Board of Directors' Communication. VI. Internal Control and Risk Management. VII. Board of Directors' Self-discipline. VIII. Others (such as board meetings, support systems, etc.).

IV. Measures taken to strengthen the functions of the Board (for example, establishing an Audit Committee and enhancing information transparency) for the current year and the most recent year and the implementation:

- The Company's Board of Directors is responsible to the Company and the shareholders' meeting, and shall exercise its powers in accordance with relevant laws and the Articles of Incorporation or the resolution of the shareholders' meeting.
- In addition to regular self-inspection of the Board of Directors' operations, the Company shall also strengthen the functions of the Board of Directors. The internal auditors shall also prepare audit reports on the operations of the Board of Directors.
- The corporate governance evaluation results for 2023 and 2022 ranked the Company in the top 5% (first tier) and top 6% to 20% (second tier), respectively, among listed companies. Additionally, for both 2023 and 2022, in the category of companies with a market value between NT\$5 billion and NT\$10 billion, the Company ranked in the top 5%.
- The self-assessment results of the Board of Directors, board members, and various functional committees for the fiscal year 2024 were submitted to the Remuneration Committee and the Board of Directors on March 6, 2025. The results of the external evaluation of the Board's performance for the fiscal year 2023 were reported to the Board on November 7, 2023. The aforementioned information is disclosed on the company's official website (Investor Relations/Corporate Governance/Board of Directors).
- In 2024, the operation of risk management policies, the implementation of intellectual property management plans, the promotion of sustainable development, the execution of corporate integrity management, and the communication and implementation with stakeholders were submitted to the Board on November 7, 2024. Relevant implementation details were also included in the Sustainable Development Committee's report on the same day.

(II) Operations of the Audit Committee:

A total of 4th (A) Audit Committee meetings were held in the most recent year (2024). The attendance of the Independent Directors was as follows:

Title	Name	Attendance in person B	By proxy	Actual attendance rate (%) (B/A)	Remarks
Convener	Sheng-Chung Lin	4	0	100	
Member	Hsiu-Chun Wang	4	0	100	
Member	Jui-Hua Li	3	1	75	
Member	Chung-Ming Liu	4	0	100	

Other matters:

- I. If the operation of the Audit Committee is under any of the following circumstances, it shall state the date of the Audit Committee's meeting, the date of the meeting, the content of proposals, the independent directors' objections, reservations or major suggestions, the resolution results of the Audit Committee and the company's treatment of the opinions of the Audit Committee.
- (I) Items listed in Article 14-5 of the Securities and Exchange Act: Please refer to page 58-60
- (II) Other resolutions passed by two-thirds of all the directors but yet to be approved by the Audit Committee in addition to the above: None.
- II. Ways in which Independent Directors have abstained from motions that pose a conflict of interest, the Independent Director's name, the content of the motion, cause of the conflict of interest, and the circumstances of the vote shall be elaborated: None.
- III. Communication between the independent director and the internal audit manager or independent auditor (shall include material matters, methods, and results of communication on the finances and state of business of Company):
- (I) Methods of communication
1. The audit manager and CPAs also directly contact the independent directors as needed, which shows fluent communication.
 2. In addition to providing the monthly audit reports to independent directors, the audit supervisor of the Company shall also report to the Audit Committee regularly or irregularly:
 - A. Annual Audit Plan
 - B. Report regularly to the Audit Committee on the performance of internal audit operations.
 - C. Attend the audit committee from time to time and accept inquiries from independent directors.
 3. At the quarterly meeting, the accountant shall report the audit results and findings of the financial statements to the independent directors and reply to the questions raised by the independent directors, and provide information on the latest law revision direction or tax policy.
- (II) Summary of past meetings between the independent directors and internal audit supervisor
- The Independent Directors of the Company perform well in auditing execution, the effectiveness and communication.
- The key communication matters for the year of 2024 are summarized as follows:

Date:	Attendance List of Independent Directors	Communication matters	Communication Results
May 9, 2024	Sheng-Chung Lin Hsiu-Chun Wang Jui-Hua Li Chung-Ming Liu	1. Audit Operations Report and Internal Control System Deficiency Review Report 2. Information on changes in laws and regulations	There are no comments at this meeting.

(III) Summary of previous communications between the independent directors and CPAs
Swancor's Independent Directors and CPAs have maintained good communications.
The key communication matters for the year 2024 are summarized as follows:

Date:	Attendance List of Independent Directors	Key points of communication	Communication Results
March 11, 2024 Pre-session meeting of the Board of Auditors	Sheng-Chung Lin Hsiu-Chun Wang Jui-Hua Li Chung-Ming Liu	Report on Review Results of Individual and Consolidated Financial Statements for the Fourth Quarter of 2023	There is no significant abnormality in the audit result reported by the accountant, and the financial report for the Year 2023 has been approved by the Audit Committee and submitted it to the Board of Directors for approval.
May 9, 2024 Pre-session meeting of the Board of Auditors	Sheng-Chung Lin Hsiu-Chun Wang Jui-Hua Li Chung-Ming Liu	Report on Review Results of Consolidated Financial Statements for the First Quarter of 2024	There is no significant abnormality in the audit result reported by the accountant, and the financial report for the First Quarter of 2024 has been reported to the Audit Committee and submitted it to the Board of Directors for approval.
		Latest Tax Policy Report	There are no other comments after discussion.
August 8, 2024 Pre-session meeting of the Board of Auditors	Sheng-Chung Lin Hsiu-Chun Wang Chung-Ming Liu	Report on Review Results of Consolidated Financial Statements for the Second Quarter of 2024	There is no significant abnormality in the audit result reported by the accountant, and the financial report for the Second Quarter of 2024 has been reported to the Audit Committee and submitted it to the Board of Directors for approval.
		Latest Tax Policy Report	There are no other comments after discussion.
November 7, 2024 Pre-session meeting of the Board of Auditors	Sheng-Chung Lin Hsiu-Chun Wang Jui-Hua Li Chung-Ming Liu	Report on Review Results of Consolidated Financial Statements for the Third Quarter of 2024	There is no significant abnormality in the audit result reported by the accountant, and the financial report for the Third Quarter of 2024 has been reported to the Audit Committee and submitted it to the Board of Directors for approval.
		Latest Tax Policy Report	There are no other comments after discussion.
		Audit scope, methods, and key audit matters for the year 2024	The key audit items for the financial statements as reported by the auditors for the fiscal year are implemented to focus on the audit of the company's financial statements.

(III) If a company has set up a Remuneration Committee and a Nomination Committee, it shall disclose its composition and operation:

(1) Remuneration Committee

1. Member information

Categories of Identity	Conditions	Professional Qualifications (Note 1) and Experiences	Situation of Independence (Note 2)	Number of members of Remuneration Committee of holding a concurrent post of other public offering companies
	Name			
Independent director (Convener)	Jui-Hua Li	1. Professional qualification A and C 2. Please refer to Page 7 for major qualifications / experiences.	1. Article 6 of the Regulations on the Establishment and Exercising of the Compensation and Salary Committees of Companies Listed or Traded in Securities Firms, meets the requirements of independence. 2. See Page 7 for information.	0
Independent director	Hsiu-Chun Wang	1. Professional qualification C 2. Please refer to Page 7 for major qualifications/experiences.	1. Article 6 of the Regulations on the Establishment and Exercising of the Compensation and Salary Committees of Companies Listed or Traded in Securities Firms, meets the requirements of independence. 2. See Page 7 for information.	1
Independent director	Chung-Ming Liu	1. Professional qualification C 2. Please refer to Page 7 for major qualifications/experiences.	1. Article 6 of the Regulations on the Establishment and Exercising of the Compensation and Salary Committees of Companies Listed or Traded in Securities Firms, meets the requirements of independence. 2. See Page 7 for information.	2
Independent director	Sheng-Chung Lin	1. Professional qualification A and C 2. Please refer to Page 8 for major qualifications/experiences.	1. Article 6 of the Regulations on the Establishment and Exercising of the Compensation and Salary Committees of Companies Listed or Traded in Securities Firms, meets the requirements of independence. 2. See Page 8 for information.	3

Note 1: In accordance with Article 5 of the “Regulations on the Establishment and Exercising of the Compensation and Salary Committees of Companies Listed or Traded in Securities Firms”, the professional qualifications are as follows:

- A. Above lecturer in public and private colleges and universities in business, legal affairs, finance, accounting or related departments of corporate business.
- B. Judges, prosecutors, lawyers, accountants or other professional and technical personnel who have obtained certificates in the national examination required for the business of the Company.
- C. Experience required in business, legal affairs, finance, accounting or company business.

Note 2: In accordance with Article 6 of the “Regulations on the Establishment and Exercising of the Compensation and Salary Committees of Companies Listed or Traded in Securities Firms”, the members of Remuneration Committee shall maintain their independence within the scope of their business activities and shall not have direct or indirect interests with the Company, and shall have none of the following circumstances during the two years prior to the appointment and during the term of office:

- I. Employees of the Company or its affiliated enterprises.
- II. Directors or supervisors of the Company or its affiliated enterprises.
- III. A natural person shareholder who owns more than 1% of the total issued shares of the Company or holds the top ten shares in the name of another person, his/her spouse, minor children or other persons.
- IV. The spouse of the manager referred to in the first Section or the person listed in the preceding two Sections, relatives within the second degree or blood relatives within the third degree.
- V. Directors, supervisors or employees who directly hold more than 5% of the total issued shares of the Company, hold the top five shares, or appoint a representative in accordance with Section 1 or 2 of Article 27 of the Company Law to act as a director or supervisor of the Company.
- VI. More than half of the directors or voting shares of a company and another company shall be controlled by the same person, and the directors, supervisors or employees of the other company.
- VII. The Chairman, General Manager or equivalent of a company or organization shall be the same person or spouse, and the director, supervisor or employee of the other company or organization.
- VIII. Directors, supervisors, managers or shareholders who hold more than 5% of the shares of a specific company or organization that has financial or business dealings with the Company.
- IX. Professionals, sole proprietors, partners, directors, supervisors, managers and their spouses who provide business, legal, financial, accounting and other related services for a company or a related

enterprise with an accumulated remuneration of more than NT \$ 500,000 in the last two years. However, members of the Remuneration Committee, the Review Committee for Public Takeovers, or the Special Committee on Mergers and Acquisitions who perform their functions and duties in accordance with this Act or the relevant Act on Mergers and Acquisitions are not subject to the limits.

2. Operations of Remuneration Committee

- I. There are a total of 4 members in the Remuneration Committee.
- II. Term of the committee members: From June 10, 2022 to May 30, 2025; 5rd (A) meetings were held by the Remuneration Committee in the most recent year (2024), qualification and attendance of the committee members are as follow:

Title	Name	Attendance in person B	By proxy	Actual attendance rate (%) (B/A)	Remarks
Convener	Jui-Hua Li	4	1	80	
Member	Hsiu-Chun Wang	5	0	100	
Member	Sheng-Chung Lin	5	0	100	
Member	Chung-Ming Liu	5	0	100	
Other matters:					
I. If the Board of Directors does not adopt or wishes to amend the proposals of the Remuneration Committee, please state the date and session of the Board meeting, proposals, resolutions from the Board of Directors, and handling of the Remuneration Committee's opinions (such as the difference between the salary and remuneration approved by the Board of Directors and those proposed by the Remuneration Committee and the reason): None.					
II. If the resolutions to which the members of the Remuneration Committee have an objection or reservation are recorded or written, please state the date and session of the meeting of the Remuneration Committee, proposals, opinions of the members, and handling of the opinions: None.					

(2) Nomination Committee: The Company has no Nomination Committee.

(IV) The situation of corporate governance operation and its differences with the company's practice rules for listing on the company:

Evaluation items	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
I. Does the Company establish and disclose the Corporate Governance Best-Practice Principles" based on "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"?	V		The Company refers to the "Corporate Governance Best Practice Principles" and has established and approved by the Board of Directors the "Corporate Governance Best Practice Principles", which have been placed on the Company's website and the Market Observation Post System.	No difference.
II. Shareholding structure & shareholders' rights				
(I) Has the Company established internal operating procedures to deal with shareholders' suggestions, doubts, disputes and litigations, and does the Company implement the procedures in accordance with the procedure?	V		(I) The Company has set up a spokesperson, deputy spokesperson system and stock affairs unit with the mailbox and contact No. disclosed on the Company's official website for shareholder opinions, queries and solving disputes.	(I) No difference.
(II) Does the Company possess a list of its major shareholders with controlling power as well as the ultimate owners of those major shareholders?	V		(II) In addition to monthly reports of changes in shareholding by directors, managers, and shareholders holding more than 10% of shares, the Company also obtains the shareholder roster of shareholders holding more than 5% of shares every quarter to grasp the list of major shareholders and ultimate controllers of the Company.	(II) No difference.
(III) Has the Company established, and does it execute, a risk management and firewall system within its affiliated companies?	V		(III) Through the establishment of internal control systems and related measures, such as the "Regulations Governing the Supervision and Management of Subsidiaries" and "Regulations on Financial and Business Operations Between Related Parties", the Company conducts control and periodically audits the effectiveness of risk control and firewall operations between the Company and its affiliates.	(III) No difference.
(IV) Has the Company established internal rules against insiders using undisclosed information to trade with?	V		(IV) The Company has established the "Regulations Governing the Prevention of Insider Trading" and placed them on the Company's website for employees and relevant parties to ensure consistency and accuracy in the Company's public information disclosure. In addition to regular education advocacy, messages are sent by email on an irregular basis as a reminder for internal	(IV) No difference.

Evaluation items	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
			<p>staff.</p> <p>The "Corporate Governance Best Practice Principles" also stipulate control measures prohibiting insiders from trading stocks from the day they become aware of undisclosed financial reports or related performance information in the public market.</p>	
<p>III. Composition and responsibilities of the Board of Directors</p> <p>(I) Does the Board of Directors formulate diversified policies, specific management objectives and implementation?</p>	V		<p>(I) The Company has stipulated a policy on the diversity of Board members in the Corporate Governance Best Practice Principles, and has set up a nomination system for Board members in the Articles of Incorporation. Apart from considering professional skills and industry and academic experience, the Company also values integrity and leadership, providing diversity and independence of Board members in accordance with the "Procedures for the Election of Directors". See Page 10.</p> <p>The Company's third Board of Directors consists of 8 members (including 4 independent directors), all of whom are male. There are 1 directors with employee status (including managers), accounting for 12.5% of the total; 4 directors are over the age of 70, 3 directors are between 51 and 69, and 1 director is under 50 years old.</p> <p>The Company has experts in various fields, Jau-Yang Tsai, Hsiu-Chun Wang, Jui-Hua Li and Sheng-Chung Lin (former parliamentary undersecretary of the MOEA) are experienced in leadership, business decision-making, operational management, industry knowledge, and the international market; Pan-Chiang Yang in legal affairs; Kuei-Tuan Chen and Hsiao-Yi Tsai in financial accounting; and Chung-Ming Liu (Senior Consultant of ITRI) in product development.</p> <p>Considering the diversification policy of gender equality and the addition of a new female board seat, the fourth Board of Directors is expected to be completed.</p>	(I) No difference.

Evaluation items	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
(II) In addition to the legally-required Remuneration Committee and Audit Committee, has the Company voluntarily established other functional committees?	V		(II) In addition to the establishment of the Remuneration Committee and the Audit Committee, the Sustainable Development Committee shall be responsible for the development of corporate social responsibility and the implementation of sustainable business strategy of the Company, and shall report to the Board regularly.	(II) No difference.
(III) Does the Company formulate the performance evaluation methods for the Board of Directors, conduct performance evaluations annually and regularly, and report the results of the performance evaluations to the Board of Directors, and use them as a reference for individual directors' remuneration and nomination and renewal?	V		(III) The Company has established the "Procedures for Evaluation of Performance of the Board", and the Remuneration Committee is responsible for regular reviews of the performance of directors and managerial officers, and the policy, system, standards, and structure of their compensations and submit recommendations for discussion at the Board. The regulations stipulate that an external professional independent organization or scholar shall be commissioned to conduct a Board of Directors' external performance evaluation at least once every three years; self-performance evaluations of the Board of Directors, board members, and functional committees' operations are conducted annually. For the execution status in 2024, please refer to page 17 of this annual report. The Remuneration Committee proposes individual director remuneration recommendations to the Board for discussion, taking into account the Company's overall operating performance, individual directors' contributions to the Company, and exchange of advice with the Company's management.	(III) No difference.
(IV) Did the Company regularly implement assessments on the independence of CPA?	V		(IV) The Company's Board of Directors evaluates CPA independence and appropriateness on an annual basis, and requires CPAs to provide the Auditor's Independence Declaration (without violating Bulletin No. 10 of the Norm of Professional Ethics for Certified Public Accountant of the Republic of China). The Audit Committee and the Board of Directors confirmed that accountants and inter-company non-interested parties met the independence requirements on May 9 in 2024 respectively. The Company's evaluation items are as follows: 1. Apart from CPA auditing and certification, whether there is any other	(IV) No difference.

Evaluation items	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
			<p>relationship that could affect his/her independence.</p> <p>2. Whether he/she holds the Company's shares.</p> <p>3. Whether he/she is a relative of the Company's director, supervisor, manager, or employee.</p> <p>4. Whether there are any other situations that may affect the independence of the Company.</p> <p>5. Audit Quality Indicators (AQIs) assess the five dimensions and thirteen indicators.</p>	
IV. Did the TWSE/TPEX listed company has qualified and an appropriate number of corporate governance personnel, and appointed corporate governance directors responsible for matters related to corporate governance (including but not limited to providing directors and supervisors with the necessary information for operation, assisting directors and supervisors in following regulations, handling matters related to Board meetings and the shareholders' meetings in accordance with the regulations, preparing minutes for Board meetings and the shareholders' meetings, etc.)?	V		<p>1. The Company has established a position of Corporate Governance Officer, appointed by the Board of Directors. The Corporate Governance Officer serves as the highest-ranking executive responsible for corporate governance-related matters, with appropriately qualified personnel and sufficient staffing assigned to handle corporate governance affairs.</p> <p>2. The director of corporate governance supervises the handling of corporate governance-related matters, including handling the Board of Directors and shareholders' meeting, preparing the minutes of the Board of Directors and Board of Shareholders, assisting the directors to take office and continuing their studies, providing the materials necessary for the directors to carry out the business, assisting the directors to comply with the decrees, reporting to the Board of Directors the results of the inspection on whether the qualifications of independent directors at the time of nomination/appointment/during their term of office are in compliance with relevant decrees and regulations, and providing the latest decrees and policies in real time, etc.</p>	No difference.
V. Has the Company established a communication channel with stakeholders (including but not limited to shareholders, employees, customers, and suppliers)? Has a stakeholders' area been established	V		The Company's website has a "Stakeholders" section and "Contact us" to disclose spokesperson, deputy spokesperson, CSR email boxes and contact windows for stakeholders. It serves as a channel for stakeholders to inquire about issues of concern, give immediate reply and report the record to the Board of Directors. The issues of concern and response of the Company to interested parties in	No difference.

Evaluation items	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
on the Company's website? Are major Corporate Social Responsibility (CSR) topics that the stakeholders are concerned with addressed appropriately by the Company?			2024 were reported by the Board of Directors on November 7, 2024.	
VI. Has the Company appointed a professional shareholder service agency to deal with shareholder affairs?	V		The Company appointed a professional stock affairs agency to handle affairs related to the shareholders' meeting. The information of stock affairs agency is as follows: Name: Stock Affairs Department of Taishin Securities Co., Limited Address: B1, No. 96, Sec. 1, Jianguo N. Rd., Taipei City Website: https://www.tssco.com.tw/stocktransfer Tel: (02)2504-8125	No difference.
VII. Information disclosure				
(I) Has the Company established a website to disclose information on financial operations and corporate governance?	V		(I) The Company has a website to disclose the relevant information of the Company (in both Chinese and English), and may also inquire about the financial business and corporate governance information of the Company through the Public Information Observation Station.	(I) No difference.
(II) Does the Company have other information disclosure channels (e.g., setting up an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, and webcasting investor conferences)?	V		(II) The Company has specially-assigned persons responsible for the collection and disclosure of the Company's information, and has established a system of spokespersons and acting spokespersons to respond to the questions of interested parties in real time, and is invited to attend the legal person's briefing held by the securities firm to explain the Company's financial business and future operation status. The Corporate Briefing will be presented at the Public Information Observation Station and the Company's website in both Chinese and English.	(II) No difference.
(III) Does the Company publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its		V	(III) The Company was unable to announce and file its annual financial report within two months after the end of the fiscal year due to the audit by the subsidiary's local accountant, but announced and filed its Q1, Q2 and Q3 financial reports in advance of the required deadline. The Company's operating status for each month has been published and reported before the specified deadline in accordance with relevant laws and	(III) According to local laws and regulations and audit schedules of subsidiaries, the financial statements

Evaluation items	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
operating status for each month before the specified deadline.			regulations.	could not be approved by the Board of Directors in advance before the end of February.
VIII. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, stakeholder rights, directors' and supervisors' training records, implementation of risk management policies and risk evaluation measures, implementation of customer policies, and participation in liability insurance by directors and supervisors)?	V		<p>(I) Employee interests and employee care: The Company attaches great importance on employee rights in expressing their opinions, and labor-management relations. The HR department interviews employees on an irregular basis and care for their working conditions, and set up the Employees' Welfare Committee to organize activities on an irregular basis for employees and their families.</p> <p>(II) Investor relations: The Company has set up the spokesperson and deputy spokesperson system to respond to shareholders' opinions.</p> <p>(III) Supplier relations: A supplier management mechanism is used for supplier assessment (including environmental protection, occupational safety and health, labor issues, and environmental, social and governance (ESG)), and the suppliers are required to sign the Honesty and Integrity Statement.</p> <p>(IV) Stakeholder rights: The stakeholder section has been set up on the Company's official website to provide stakeholder communication channels and enable them to express their opinions to ensure stakeholder interests.</p> <p>(V) Continuing Education for Directors: Please refer to page 29 of the Annual Report.</p> <p>(VI) Continuing Education for Managers on corporate governance: Please refer to page 30 of the Annual Report.</p> <p>(VII) Implementation of risk management policies and risk measurement standards: A risk management department is established and various internal regulations are in place for management and control. Please refer to page 114-117 of the Annual Report.</p> <p>(VIII) Implementation of customer policies: In addition to telephone, email and communication software, the sales staff will conduct company visits and record interviews. The customer complaint handling mechanism has been set up to ensure that customers can receive feedback and resolve their</p>	No difference.

Evaluation items	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
			<p>problems.</p> <p>(IX) In order to ensure that directors and supervisors have the loyalty and exercise the due care of a good administrator in conducting Swancor's business operation, and lower and diversify the risk of material loss to the Company due to negligence of directors and managers during their terms of office, the Company has purchased the liability insurance, with the latest contents as follows, and were reported by the Board of Directors on January 21, 2025.</p> <p>(1) Insurance Company: Mingtai Insurance Co., Ltd.</p> <p>(2) Insurance Period: November 1, 2024 to November 1, 2025</p> <p>(3) Insured amount: US\$8,000,000</p>	
<p>IX. Describe improvements made according to the corporate governance assessment made in the latest fiscal year by the Corporate Governance Center of the Taiwan Stock Exchange Corporation (TWSE), and provide priority improvements and measures to be taken for improvements that have yet to be carried out. (not required for companies not included in the Evaluation Companies List)</p> <p>The Company has conducted self-evaluation based on the most recent corporate governance evaluation indicators, followed by a review and discussion of the reasons for the differences between the results of corporate governance evaluation and the Company's self-evaluation. In addition, the Company makes improvements for unscored indicators based on the difficulty of self-evaluation, in order to meet corporate governance requirements.</p> <p>Improvement projects in 2024: At the Annual General Shareholders' Meeting, a report was presented regarding the remuneration to directors, and the Sustainability Report has been reviewed and approved by the Board of Directors.</p>				

The status of Directors training:

The Company's directors have the relevant expertise. The continued education and training courses of directors and supervisors in accordance with the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies” are as follows:

Courses	Hours	Chairman Jau-Yang Tsai	Directors Hsiao-Yi Tsai	Directors Pan-Chiang Yang	Directors Kuei-Tuan Chen	Independent Director Hsiu-Chun Wang	Independent Director Jui-Hua Li	Independent Director Sheng-Chung Lin	Independent Director Chung-Ming Liu
Corporate Governance and Sustainable Business Operations Workshop	3	V	V						
Summit on Strengthening Taiwan's Capital Market	3	V							
The New Era of Artificial Intelligence: How ChatGPT is Transforming Industry Trends	3	V	V				V	V	
Corporate Governance and Securities Regulations - Discussing the Blueprint and Practices of Corporate Governance	3			V					
Tax Governance and the Latest Changes in International Tax Laws and Environments and How to Respond	3							V	
The Role of Directors and Compliance Strategies Facing the Management Challenges under Corporate Governance 4.0	3			V					
Corporate Risk and Compliance Risk Management: Topics and Practical Sharing	3			V					
2024 Cathay Sustainable Finance and Climate Change Summit	6					V			
Practical Seminar for Directors, Supervisors (including Independent), and Corporate Governance Practitioners - Key Strategies for Enhancing Corporate ESG Performance	3								V
Practical Seminar for Directors, Supervisors (including Independent), and Corporate Governance Practitioners [Corporate Governance and Securities Regulations]	3								V
Prevention of Labor Disputes and Corporate Governance	3				V				
Analysis of the Practical Operation of Corporate and Individual CFC - Including Audits of Overseas Fund Inward Remittances	3				V				
Development Trends and Case Studies in Anti-Money Laundering	3				V				
Unlimited Business Opportunities in the Path to Net Zero - Strategic Direction from an Industry Perspective	3						V		
Subtotal		9	6	9	9	6	6	6	6

Continuing education for managers on corporate governance:

The courses related to continuing education for the Company's financial, corporate governance and audit managers are listed as follows:

Title	Name	Training date	Organizer	Course title	Hours of Courses
Associate Manager (Accounting Supervisor)	Chia-Min Hung	October 24, 2024- October 25, 2024	Accounting Research and Development Foundation	2024 Issuer Securities Firm Securities Exchange Accounting Supervisor Continuing Education Program	12
		November 25, 2024	Institute of Internal Auditors	Interpretation of Financial Analysis Indicators and Prevention of Operational Risks	6
		December 6, 2024	Institute of Internal Auditors	New Challenges for Internal Auditors - Analysis of Sustainability Information Disclosure, Management Policies, and Key Audit Points	6
Associate Manager (Corporate Governance Supervisor)	Li-Min Hung	July 26 2024	Securities & Futures Institute	Opportunities and Challenges for Taiwan's Industrial Transformation Amid Geopolitical Tensions - Exclusive PMI/NMI Analysis	3
		August 2, 2024	Securities & Futures Institute	Discussion on the "Sustainable Development Action Plan for TWSE/TPEX Listed Companies" from a Financial Supervision Perspective	3
		August 6, 2024	Taiwan Corporate Governance Association	The New Era of Artificial Intelligence: How ChatGPT is Transforming Industry Trends	3
		September 6, 2024	Taiwan Corporate Governance Association	Strategic Thinking on Corporate Group Reorganization	3
		October 4, 2024	Securities & Futures Institute	2024 Prevention of Insider Trading Promotion Conference	3

(V) Implementation of the Company's promotion of sustainable development and the circumstances and reasons for differences between the Company and the Code of Practice for Sustainable Development of Listed Companies:

Promotion projects	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
I. Does the company establish a governance structure to promote sustainable development, and set up full-time (part-time) units to promote sustainable development, which shall be handled by senior management authorized by the Board of Directors and supervised by the Board of Directors?	V		<p>The company has established a Sustainable Development Committee appointed by the Board of Directors (currently composed of all directors), serving as the highest-level decision-making center for sustainability within the company; primarily responsible for formulating ESG policies and overall goals, overseeing the promotion and implementation of sustainable development within the company, and regularly reporting to the Board of Directors.</p> <p>A dedicated Promotion Office was established under the Sustainable Development Committee, with the members appointed by the Chairman. The Promotion Office follows the objectives established by the Board of Directors as well as integrates and utilizes the Company's internal resources, serving as a communication platform to facilitate cross-level and cross-departmental integration and collaboration. Through meetings irregularly every year by members to identify sustainable issues of concern to the operation of the Company and interested parties, formulate corresponding strategies and management policies, plan the KPIs of each department and implement the annual plan, and track the implementation results to ensure that the sustainable development strategy is fully implemented in the daily operation of the Company.</p> <p>The Chairman of the Sustainable Development Committee reports to the Board of Directors annually on the results of implementation of sustainable development and its future work plan. Two meeting was held in 2024, the contents of which include the group's sustainable development roadmap planning, interested parties identification and implementation, short, goal planning of sustainable development ... Etc.</p> <p>The Board of Directors of the Company shall listen to the reports of the operation team (including ESG) from time to time, and shall make suggestions and urge the implementation of sustainable operation according</p>	No difference.

Promotion projects	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
			to the strategies formulated by the Company.	
II. Does the Company establish an exclusively (or part-time) dedicated unit for promoting Corporate Social Responsibility? Is the unit authorized by the Board of Directors to implement CSR activities at the executive level? Does the unit report the progress of such activities to the Board of Directors?	V		<p>1. This disclosure covers the performance of sustainable development in major positions from January 2024 to December 2024. The risk evaluation boundary is dominated by companies, including Taiwan, Chinese mainland and Malaysia.</p> <p>2. The Sustainability Committee shall conduct analysis according to the principle of significance of the Sustainability Report, integrate the evaluation data of various departments and subsidiaries, evaluate the significant ESG issues, formulate risk management policies for effective identification, measurement and evaluation, supervision and control, and adopt specific action plans to reduce the impact of related risks.</p> <p>3. The risk operation of Swancor Holding Co., Ltd. and its subsidiaries in 2024, including important risk topics and risk control and implementation results, was reported to the Board of Directors on November 7, 2024. Please refer to the company website for more details. (http://www.swancor.com/tw/csr/governance/5).</p>	No difference.
III. Environmental Issues				
(I) Did the Company establish a suitable environmental management system based on its industrial characteristics?	V		(I) The Company is committed to promoting environmental management, and achieves systematic management through ISO 14001 environmental management system (with the validity period from January 20, 2025 to January 19, 2028). Annual review shall be conducted to meet international environmental protection requirements and comply with relevant domestic environmental regulations and specifications.	(I) No difference.
(II) Is the company committed to improving energy efficiency and using recycled materials with low impact on environmental load?	V		(II) The types and quantities of materials used based on the nature of the industry indicate the effect of natural resource dependence and materials availability on the organization. The Company's resource conservation strategy is focused on recycling and reusing materials, products and packaging materials. The main products are vinyl ester resin and recyclable thermosetting materials. Vinyl ester resin is	(II) No difference.

Promotion projects	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
			<p>produced by a ring-opening cycloaddition reaction between epoxy resin and methacrylic acid, followed by dilution with styrene monomer. However, due to the nature of the industry, it is a non-renewable material.</p> <p>The innovation of “EzCiclo” recyclable thermosetting material allows manufacturers to produce recyclable composites without altering their original production processes. When used with the CleaVER depolymerization solution, waste composite components can be broken down, fully separating the fibers from the resin, and both materials can be reused, achieving full recyclability.</p> <p>According to the operating conditions of mechanical equipment, the variable frequency motor is selected, and the frequency converter is used as the speed governor of pump or fan, which has good energy saving effect. At present, about 40% of the motor in the plant is frequency conversion motors, which can improve the energy utilization efficiency.</p>	
(III) Does the company evaluate the potential risks and opportunities of climate change to the enterprise now and in the future and take relevant countermeasures?	V		<p>(III) For details on the company's operations related to climate change, please refer to the climate-related information of listed and over-the-counter companies in this annual report (page 43-47), or to the company website for more details.(http://www.swancor.com/tw/csr/governance/5).</p>	(III) No difference.
(IV) Does the company make statistics on greenhouse gas emissions, water consumption and total waste weight over the past two years and formulate policies for greenhouse gas reduction, water use reduction or other waste management?	V		<p>(IV) The Company is committed to carbon neutralization, plans short-term, medium-term and long-term objectives, and offsetting its own greenhouse gas emissions by replacing fossil fuels with low-carbon energy, saving energy and reducing emissions, so as to achieve the goal of zero carbon emission. At present, the company has begun to build clean energy, and replace fossil fuels through solar power generation to achieve carbon neutrality year by year.</p>	(IV) No difference.

Promotion projects	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
			<p>Water consumption for company operations may have an impact on the Earth's water resources, and that obtaining water from the water resources system will lower the groundwater level and reduce the total amount of water, causing an impact on the environment. With that, the Company adopts the strategy of recycling and reusing cooling water instead of obtaining underground in order to achieve water conservation.</p> <p>For waste reduction, the Company's waste management concept lies in green production, and reduces waste through improved process design, reduction from the source, reduction of packaging materials, and reusing and recycling of resources.</p> <p>The results of the 2022 inventory for the Group's headquarters and factories were 1,746.641 tons of CO₂e for Category 1, and 7,781.696 tons of CO₂e for Category 2. The results of the 2023 inventory for the Group's headquarters and factories were 1,244.3 tons of CO₂e for Category 1, 7,718.66 tons of CO₂e for Category 2, and 164.3 tons of CO₂e for Category 3. The current inventory for 2024 is expected to be completed by the second quarter.</p> <p>The company is committed to environmental protection, with all factories certified by the ISO 14001 environmental management system, setting waste reduction targets, and conducting performance reviews annually. The total water consumption was 18,126 tons in 2023 and 21,076 tons in 2024.</p> <p>The total waste generated was 484.685 metric tons in 2023 and 508.666 metric tons in 2024.</p> <p>Note: For detailed information on each factory, please refer to the Company's website (https://www.swancor.com/tw/csr/social/5)</p>	
IV. Social Issues (I) Has the Company formulated management policies and procedures following relevant regulations and international human rights	V		(I) The company has formulated a "Human Rights Policy" based on the spirit and standards of various international human rights conventions such as the Universal Declaration of Human Rights, the UN Global	(I) No difference.

Promotion projects	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
treaties?			<p>Compact - Ten Principles, the ILO Declaration on Fundamental Principles and Rights at Work, and the International Human Rights Code, and has formulated "Work Rules" in accordance with labor regulations and personnel laws, and is committed to ensuring that every individual inside and outside the company receives equal and dignified treatment, creating a diverse, inclusive, and friendly workplace environment.</p> <p>The Company's human rights due diligence process identifies potential human rights risks and mitigates or remedies them through measures to reduce these risks and implement human rights management. The Company has established multiple grievance procedures, including a specific channel for sexual harassment complaints. If any employee or business partner is aware of inappropriate behavior, they can file a complaint either anonymously or by name, stating the facts and providing relevant evidence. Upon receiving the complaint, the Company will keep the identity of the complainant and the details of the complaint confidential, and will follow the established procedures to investigate, address the concerns of the complainant, and take necessary corrective actions</p> <p>The Company actively implements human rights management practices by providing education and training of human rights for all employees, including training on safety and health, anti-workplace violence, sexual harassment prevention, and onboarding for new employees, to ensure that all stakeholders are familiar with the Company's human rights policies and regulations, and work together to safeguard human rights values in the industry.</p> <p>The management measures and implementation for 2024 are as follows:</p> <ol style="list-style-type: none"> 1. In accordance with the Labor Standards Act and other relevant laws and regulations, the Company values the balance among 	

Promotion projects	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
			<p>employees' health, work, family, and leisure life. At the same time, the Company implements work-hour management, prohibits the use of child labor, and bans all forms of forced labor and discrimination.</p> <ol style="list-style-type: none"> The Company has established a gender-equal workplace by implementing systems such as unpaid parental leave, family care leave, menstrual leave, maternity leave, paternity check-up leave, and paternity leave, and also provides benefits such as nursing rooms and parking spaces for pregnant employees. The Company values employee health by offering free annual physical check-ups for employees, non-periodically publishes health awareness articles, and organizes sports activities to enhance employees' health management awareness. The Company implements various epidemic prevention measures, including flexible work-from-home arrangements, staggered shifts, paid leave for vaccination, and other plans to ensure that employees can feel safe both at work and in their personal lives. In accordance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, the Company has established a human rights policy to assess and review the impact of its operations and internal management on human rights, with corresponding procedures for handling such matters. Every year, based on hazard identification and risk assessment, as well as regulatory identification and assessment, the Company develops an annual safety and health training plan and supervises its implementation to enhance employees' safety awareness and strengthen their safety skills and capabilities. The Company values employee' feedback and regularly holds "Hello Robert" employee forums and labor-management meetings. The Company also has an employee mailbox to maintain open communication channels and listen to employee 	

Promotion projects	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
(II) Does the Company establish and deliver reasonable employee welfare programs (including salary, compensated absences, and other benefits) and adjust employee compensation in relation to business performance?	V		<p>opinions at any time.</p> <p>8. In 2024, the Company conducted a total of 105 sessions of education and training related to human rights topics, including legal awareness, occupational safety and health, workplace health management, anti-bullying, and sexual harassment prevention, with a total of 519 participants attended and a total training time of approximately 1,340 hours.</p> <p>(II) Employees are Swancor's most valuable assets and a key advantage in the Company's pursuit of excellence. Therefore, the Company promotes the appropriate placement of employees based on their aptitudes and strengths, and is committed to building a diverse, equitable, and inclusive work environment. Swancor ensures diversity, inclusiveness, and equal opportunities by upholding fairness in recruitment, compensation and benefits, training, evaluation, and promotion, and an effective and appropriate grievance mechanism is also provided. We value gender equality: women account for 38% of the Group's total workforce, and female managers account for 38% of all managerial positions. In terms of employee diversity, foreign nationals comprise approximately 10% of our workforce.</p> <p>All full-time employees of the Company enjoy a consistent compensation and benefits system. Each year, compensation to employee at various sites is reviewed based on local market levels, the Company's profitability, and changes in the local Consumer Price Index (CPI), and is adjusted accordingly to ensure that compensation to employee remains competitive within the local market.</p> <p>Additionally, through a fair evaluation and performance bonus distribution system, 7.5% of the Company's annual profit after tax is allocated for performance bonuses. These bonuses are distributed based on individual employee performance, sharing the Company's operational achievements with employees. For the past three years,</p>	(II) No difference.

Promotion projects	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
(III) Does the Company provide a healthy and safe work environment, and does it organize health and safety training for its employees on a regular basis?	V		<p>the Company has distributed approximately NT\$29 million, NT\$40 million, and NT\$21.5 million, respectively.</p> <p>The Company's employee welfare measures include a flexible working-hour system, volunteer leave, company trips, free lunches, holiday bonuses, regular physical check-ups, electric vehicle charging stations, and has a library, gym, basketball and badminton courts, etc, allowing employees to share the Company's success and help strengthen team cohesion and loyalty.</p> <p>Note: For detailed information on employee welfare measures, please refer to the Company's official website (https://www.swancor.com/tw/hr/content/6)</p> <p>(III) The Company is committed to creating a safe and healthy working environment. Through the ISO45001 occupational safety and health management system (with the validity period from January 20, 2025 to January 19, 2028), we can achieve systematic management. The annual review shall be conducted to meet the requirements of international occupational safety and health, and comply with relevant national safety and health regulations. The Company has a complete education and training system, which is arranged according to the individual work position, gives new colleagues a correct safety concept when they report for duty, and conducts monthly safety training for employees, thus shaping the enterprise safety culture.</p>	(III) No difference.
(IV) Has the Company established effective career development and training plans for its employees?	V		<p>(IV) The Company is committed to cultivating talents, improving the training and on-the-job training system for new employees, and setting the training objectives for employees and the personal development plan (IDP) for key employees according to the company's annual development plan. In addition to holding regular courses according to the needs of employees' career development ability, the Company also reviews the learning and development</p>	(IV) No difference.

Promotion projects	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
			<p>status of employees through quarterly interviews with coaches and counselors to continuously improve the competitiveness and career development ability of employees, with a brief description as follows:</p> <ol style="list-style-type: none"> 1. New employees Through a three-month onboarding mentorship program, in addition to new employee training courses, a one-on-one mentorship system is implemented to help new employees quickly adapt to the work environment and integrate into the corporate culture. 2. Training system Annual training plans are formulated based on employee competencies, with arrangements made for external on-the-job training or internal training programs. The 2024 training programs covered fields such as managerial competencies, professional development across various functional competencies, R&D technology, finance and auditing, information security, environmental health and safety, new employee onboarding, corporate culture promotion, and one-on-one coaching for senior executives. On average, each employee received 1.12 hours of training over the year. Additionally, the operation of the Swancor Low Carbon Academy was enhanced to strengthen employee learning in sustainability, carbon emissions management, and emerging technologies. 3. Succession plan and operations for key management personnel In conjunction with a comprehensive training system and promotion channels, the Company's succession plan for key management positions began at the end of 2019. The first phase of the employee development program involved 24 participants, while the second phase started at the end of 2021, with 27 participants selected. It is estimated that the Company will cultivate over 20 individuals capable of holding managerial positions at the department level or above, and over 20 individuals with the ability and willingness to take on senior management roles, to meet future succession needs for key management positions. As of December 31, 2024, a total of 6 employees have been promoted to department-level managers, and 	

Promotion projects	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
(V) Does the Company comply with relevant laws and regulations and international standards, and formulate relevant policies and grievance procedures to protect the rights and interests of consumers or customers with respect to issues such as customer health and safety, customer privacy, marketing and labeling of products and services?	V		15 employees have been promoted to division-level managers. (V) Products are packaged and labeled in accordance with the Globally Harmonised System (GHS) standard. Swancor has always attached great importance to customer satisfaction, and has formulated customer complaint handling procedures to immediately deal with complaints and meet consumers' needs.	(V) No difference.
(VI) Does the Company formulate a supplier management policy that requires suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights? And, how well are those policies implemented?	V		(VI) The Company conducts regular evaluation on all suppliers, and only deals with qualified suppliers. The evaluation items include quality control, supplier management, occupational safety and health, environmental protection or labor and human rights issues, and are evaluated with reference to the past environmental and social records. For other supplier management and implementation, please refer to our website (https://www.swancor.com/tw/csr/supply) for details.	(VI) No difference.
V. Does the company refer to the internationally accepted reporting standards or guidelines for the preparation of reports, and prepare reports that disclose non-financial information of the company, such as sustainable development reports?	V		The Sustainable Development Report of the Company is prepared in accordance with the GRI Standards of Global Reporting Initiative (GRI) by adopting the core disclosure method; Promotion Office led each unit to prepare and write the report, and Deloitte & Touche issued a limited assurance report according to the Statement of Assurance Standards No.1, which was published on the website of the Company. (https://www.swancor.com/uploads/images/csr/reports/reports-2023.pdf)	No difference.
VI. If the Company has its own sustainable development code in accordance with the "Code of Practice for the Sustainable Development of Listed Companies", please describe the differences between its operation and the established code: <ol style="list-style-type: none"> 1. On August 8, 2023, the Board of Directors amended the "Sustainable Development Practices Guidelines" in accordance with current laws and regulations. 2. The Company's website has a "Sustainable Development" section, disclosing sustainability-related operations, annual sustainability reports, awards and certifications, and other related information. For detailed information on each factory, please refer to the Company's website (https://www.swancor.com/tw/csr/overview) 				

Promotion projects	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
VII. Other important information to help understand the implementation of promoting sustainable development: ➢ Professional technical talents in the industry are cultivated via industry-academic cooperation. ➢ Gender equality and equal employment opportunity principles are implemented to prevent gender-based violence and prohibit any form of discrimination. ➢ Each year, the Company donates funds for charitable activities, mainly focusing on talent cultivation and sponsoring primary and secondary schools. ➢ Continue to participate and organize various local activities. ➢ Taiwan’s first offshore wind farm was set up to generate more green electricity. ➢ Engaged in the first financing case in Taiwan that is based on the Equator Principles. ➢ All water used in production processes is 100% recycled in order to reduce environmental pollution. ➢ Waste management is implemented to enhance recycling value, and reduce intermediate treatment and final disposal volume. ➢ Production of epoxy vinyl ester resins and wind turbine laminar materials to reduce environmental pollution and hazards. ➢ Launched a revolutionary and innovative product – recyclable thermosetting material "EzCiclo Easy to Recycle"/ "CleaVER Simple to Decompose" to solve the problem that FRP could not be recycled in the past hundred years through the circular economy model. Collaborating with partners to promote the development of the green circular economy, continuously developing and widely applying solutions across various industries, contributing to the circular economy and resource conservation, and building a closed-loop economic ecosystem. ➢ Cooperate with external academic institutions and research institutions, and actively participate in the activities of public associations and other groups, so as to convey the message of carbon neutralization. ➢ Take carbon neutralization and green circular economy as the guiding direction of corporate governance, product service and future development; work with interested parties to create a partnership of mutual benefit, sharing and coexistence between enterprises and society. ➢ Committed to investing in CCUS (Carbon Capture, Utilization and Storage) and carbon fiber composite material low-carbon recovery technology, and continuing to advance in the field of carbon neutralization and circular economy. ➢ Cooperated with National Chung Hsing University to cultivate the research talents needed by circular economy related industries and solve the problems related with circular economy industries. ➢ Obtained ISO 14064-1 and ISO 27001 certification. ➢ The "Taiwan Intellectual Property Management System" of the Industrial Development Bureau of the Ministry of Economic Affairs was introduced and passed the A-level verification. ➢ The world's first carbon fiber made from 100% recycled materials to obtain GRS certification. ➢ Establishment of a compensation and ESG performance linkage system. ➢ Implementation of human rights due diligence to enhance human rights management awareness and achieve the goal of "sustainable talent". ➢ The EzCiclo series of sustainable materials from Swancor, including RB519, RB511, and RB507, have obtained ISO14021 certification. ➢ Obtained ISO14067 certification, proving that recycled carbon fiber reduces carbon emissions by 97% compared to virgin carbon fiber. ➢ Adopting the core concepts of sustainable green building, with the goal of achieving Gold-level Green Building and Silver-level Smart Building certifications.				

Promotion projects	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
			<p>the Company has constructed the operational headquarters "Swancor Group Industrial Innovation Park," which obtained the Gold-level Green Building certification.</p> <ul style="list-style-type: none"> ➤ Swancor has been recognized for its outstanding performance in sustainable operations and innovations in the circular economy, receiving honors such as the "2024 National Sustainable Development Award," being ranked in the top 5% of the 10th "Corporate Governance Evaluation," the Gold Award of the "TCSA Taiwan Corporate Sustainability Awards", and the Happy Enterprise Gold Award of the "1111 Job Bank," etc. ➤ Hosted by the Industrial Development Administration, Ministry of Economic Affairs, and co-organized by the Industrial Technology Research Institute, the Taiwan Composites Association, and Swancor Investment Holding, the "Low Carbon Footprint Thermosetting Composites Business Opportunities Forum" was held in July 2024. The forum explored the market prospects, technological innovations and applications of low-carbon footprint thermosetting composites, and announced the establishment of the "Recyclable Low Carbon Circular Economy Alliance," with the goal of fostering business opportunities through the sharing of technology and resources among alliance members. 	

(VI) Climate-related information for listed and over-the-counter companies:

(1) Implementation status of climate-related information

Item	Implementation status
1. Describe the supervision and governance of climate-related risks and opportunities by the board of directors and management.	The Board of Directors is responsible for approving risk policies and the execution outcomes thereof. The Sustainable Development Committee oversees the scope and regulations of climate risk management and supervises their implementation. The General Manager's Office formulates climate risk management regulations, ensuring compliance with the approved regulations by the Board of Directors and the Sustainable Development Committee. Departmental supervisors are tasked with establishing operational guidelines for climate risk management, monitoring and executing climate risk assessments in accordance with internal control procedures, compliance standards, and risk regulations.
2. Describe how identified climate risks and opportunities affect the company's business, strategy, and finances (short-term, medium-term, long-term).	Short-term: Adjustments in product processes and formulations to address climate change may lead to cost increases. Medium-term: Investment in low-carbon technology transformation requires talent, processes, and equipment, resulting in increased costs and compressed profit margins. Long-term: Decreased electricity and carbon expenditure leads to cost reduction; launching new products and services can increase revenue and profit.
3. Describe the financial impact of extreme weather events and transition actions.	1. Regarding extreme weather events (which may disrupt operations) and transition actions, their financial impacts are detailed in the aforementioned item 2 explanation. 2. The Company will continuously mitigate climate risk factors' impact on the company's value through product adjustments, investments in low-carbon technology, and the development and expansion of low-carbon goods and services (such as promoting circular economy products like EzCiclo and reducing carbon emissions). Furthermore, the company regularly conducts scenario analyses to reassess its capacity to handle climate risks, overseeing the financial impacts of extreme weather risks. 3. To effectively manage risks associated with extreme weather events and the transition to a low-carbon economy, climate change risks are integrated into operational decision-making, identifying and managing risks. Additionally, the company acknowledges the crises of global warming and resource depletion, fully responding to the energy conservation and carbon reduction trends through mitigation and adaptation efforts.
4. Describe how the identification, assessment, and management processes of climate risks are integrated into the overall risk management system.	The company's climate risk management process consists of four major steps, as detailed below:

Item	Implementation status
	<p>Swancor conducts discussions, information aggregation, and evaluations of climate change risks and opportunities through climate change risk and opportunity research meetings, including:</p> <ol style="list-style-type: none"> 1. Setting climate change scenarios: encompassing two climate change scenarios. 2. Assessing the impact on the operating environment: evaluating the effects and impacts of climate change on the operating environment and stakeholders. 3. Identifying climate risks and opportunities: establishing a risk and opportunity matrix to confirm climate change risks and opportunities. 4. To monitor the level of risk exposure and resilience, regular reviews are conducted through business group management meetings, with timely reports submitted to senior management and risk management units as needed.
<p>5. If scenario analysis is used to assess resilience to climate change risks, explain the scenarios, parameters, assumptions, analysis factors, and major financial impacts used.</p>	<p>Climate change risk simulations are conducted under two scenarios: the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report's SSP5-8.5: warming to 6°C and SSP1-2.6: warming to 2°C. Future dynamic analyses and assessments will consider the impact of climate change on the company's operations.</p>
<p>6. If there are transformation plans to manage climate-related risks, describe the content of the plan, and the indicators and objectives used to identify and manage physical and transition risks.</p>	<ol style="list-style-type: none"> 1. Since 2022, the group has adopted ISO 14064-1 for Scope 1 and 2 greenhouse gas inventories, with verification completed in 2022 according to ISO 14064-1:2018. 2. Scope 3 greenhouse gas inventory and verification in 2024. 3. For emission information, please refer to Section 4.3 Greenhouse Gas Emission Management of the 2023 Sustainability Report.
<p>7. If internal carbon pricing is used as a planning tool, explain the pricing basis.</p>	<p>Internal carbon pricing has not been used as a planning tool to date. Future adoption of internal carbon pricing will be evaluated based on the impact of climate change on the company.</p>
<p>8. If climate-related targets are set, information should be provided on the activities covered, greenhouse gas emission scopes, planning schedules, annual progress towards achieving the goals, etc. If carbon offsetting or Renewable Energy Certificates (RECs) are used to achieve the related objectives, information should be provided on the source and quantity of the offset carbon emissions or the quantity of RECs exchanged.</p>	<p>Swancor has established goals for each factory to utilize green electricity by 2030, achieve carbon neutrality by 2040, and annually establish reduction targets, revise target plans, and achieve short, medium, and long-term goals based on data from partner factories. The Company is expected to achieve net-zero emissions by 2050, with annual reviews of carbon intensity and carbon reduction performance.</p>
<p>9. Greenhouse gas inventory and verification status are aligned with reduction targets, strategies, and specific action plans.</p>	<p>Please refer to the content of "(2) Recent Two-Year Greenhouse Gas Inventory and Verification Status" on page 45-47.</p>

(2) Recent Two-Year Greenhouse Gas Inventory and Verification Status

1. Greenhouse Gas Inventory Information

Describe the greenhouse gas emissions (metric tons CO₂e), intensity (metric tons CO₂e per million dollars), and data coverage for the most recent two years.

Year	2024				2023		
	Total amount (T)	Scope 1 (T)	Scope 2 (T)	Scope 3 (T)	Total amount (T)	Scope 1 (T)	Scope 2 (T)
Swancor Holding Co., Ltd. Swancor Innovation & Incubation Co., Ltd.	47.18	4.26	30.77	12.15	31.27	3.17	28.098
S-Wanlai Co., Ltd.	364.93	5.23	346.89	12.81	-	-	-
Swancor Highpolymer Co., Ltd.	1,575.42	852.47	677.48	45.47	1,643.41	712.84	930.57
Sunwell Carbon Fiber Composite Corporation	754.69	29.77	697.65	27.27	702.53	13.11	689.42
Cotech Inc.	498.92	5.6	489.25	4.07	421.92	21.081	400.837
Sunwell (Jiangsu) Carbon Fiber Composite Co., Ltd.	811.29	60.15	746.22	4.92	1,381.33	49.79	1,331.54
Swancor Advanced Materials Co.,Ltd.	573.57	43.19	509.85	20.53	2,085.77	644.98	1,440.79
Swancor(Jiangsu) New Materials Co., Ltd.	3,286.55	84.05	3,197.27	5.23	2,062.77	153.34	1,909.43
Swancor (Tianjin) Wind Blade Materials Co., Ltd.	805.55	24.47	773.74	7.34	842.4	31.12	811.28
Swancor Ind.(M) SDN. BHD.	409.17	135.11	249.55	24.51	356.94	117.21	239.73

Note 1: Direct emissions (Scope 1, directly from sources owned or controlled by the company), energy indirect emissions (Scope 2, indirectly generated greenhouse gas emissions from imported electricity, heat, or steam), and other indirect emissions (Scope 3, emissions generated by company activities that are not energy indirect, but rather come from sources owned or controlled by other companies).

Note 2: The scope of direct emissions and energy indirect emissions data coverage shall be handled according to the provisions of Article 10, Paragraph 2 of this standard at the specified timing. Information on other indirect emissions may be voluntarily disclosed.

Note 3: Greenhouse Gas Inventory Standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 published by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but data should at least be provided based on revenue (in NT\$ million).

2. Greenhouse Gas Assurance Information:

Description of the most recent two years of assurance status as of the printing date of the annual report, including the scope of assurance, assurance provider, assurance standard, and assurance opinion.

2024 Verification Opinion Conclusion

The responsible party provided a greenhouse gas statement based on the requirements of ISO 14064-1:2018. The statement reported a total greenhouse gas emission of 9,127.26 tons of CO₂ equivalent within the organizational boundary and reporting period.

After conducting an independent verification of the greenhouse gas statement provided by the responsible party, based on the agreed reasonable assurance, SGS issued the following verification opinion:

Unqualified opinion: The greenhouse gas statement submitted by the responsible party is in accordance with ISO 14064-1:2018 for the quantification and reporting of greenhouse gases. The statement is fairly presented in terms of materiality, and the data and information of greenhouse gas in the statement accurately reflect the emissions, supported by sufficient and appropriate evidence.

2023 Verification Opinion Conclusion

Verification Scope: Det Norske Veritas (DNV) undertakes the verification of the greenhouse gas statement contained in the 2022 Greenhouse Gas Inventory Management Report (the "Report") submitted by Swancor Holding Co., Ltd. ("the organization"), with the verification scope set to cover the boundaries of the report: Swancor Holding Co., Ltd., Swancor Innovation & Incubation Co., Ltd., Swancor Highpolymer Co., Ltd., Sunwell Carbon Fiber Composite Corporation and Cotech Inc.

Verification Criteria and Greenhouse Gas Programs:

■ISO 14064-1:2018

The execution process of this verification follows standard requirements such as ISO/IEC17029:2019, ISO 14065:2020, and ISO 14064-3:2019.

Verification Opinion:

Based on the identified verification criteria, DNV believes that as of December 27, 2023, the fifth edition of the Greenhouse Gas Inventory Report does not have any significant differences that do not comply with the above verification standards. This opinion is determined based on the following methods:

- The reliability of information on direct greenhouse gas emissions and indirect greenhouse gas emissions from imported energy sources has been verified at a reasonable assurance level.
- Information regarding other indirect greenhouse gas emissions was verified and tested using the agreed-upon procedures (AUP) specified in the report.

Note 1: In accordance with the provisions of Article 10, Paragraph 2 of this standard, if the company has not obtained a complete greenhouse gas assurance opinion as of the printing date of the annual report, it should be noted as "Complete assurance information will be disclosed in the sustainability report." If the company has not compiled a sustainability report, it should be noted as "Complete assurance information will be disclosed on the Market Observation Post," and complete assurance information should be disclosed in the next year's annual report.

Note 2: The assurance institution shall comply with the relevant regulations of the Taiwan Stock Exchange and the Taipei Exchange regarding assurance institutions for sustainability reports.

Note 3: Disclosure content can refer to the best practice reference examples on the Taiwan Stock Exchange Corporate Governance Center website.

3. Greenhouse gas reduction targets, strategies, and specific action plans

Description of the baseline year and data, reduction targets, strategies, specific action plans, and achievement status of greenhouse gas reduction targets.

Intent		2022	2023	2024	2025	2030	2035	2040
Achieving 100% green energy substitution rate by 2040	Farget	Datum	1.80%	2.30%	3.00%	8.00%	26.93%	100.00%
	Actual	Datum	7.48%	10.97%				
Conducting the ISO 14064 greenhouse gas inventory, with a 10% reduction in carbon emissions per unit of product across all plants by 2040	Farget	Datum	-0.56%	-1.12%	-1.68%	-4.48%	-7.28%	-10.08%
	Actual	Datum	-3.80%	-3.10%				
Achieving a 16.5% reduction in waste (general/industrial waste) by 2040	Farget	Datum	-14.00%	-14.50%	-15.00%	-15.50%	-16.00%	-16.50%
	Actual	Datum	-45.20%	-46.40%				
Achieving 100% water recovery rate for the production process	Farget	100%	100%	100%	100%	100%	100%	100%
	Actual	100%	100%	100%				

Note 1: Should be handled according to the timing specified in Article 10, Paragraph 2 of this standard.

Note 2: The baseline year should be the year in which the greenhouse gas inventory is completed within the boundaries of the consolidated financial statements, for example, according to the timing specified in Article 10, Paragraph 2 of this standard, companies with a capital of over NT\$10 billion should complete the inventory of the consolidated financial statements for the year 2024 in 2025. Therefore, the baseline year is 2024. If the company has completed the inventory of the consolidated financial statements earlier, the earlier year may be used as the baseline year. Additionally, the data of the baseline year may be calculated as a single year or as an average of several years.

Note 3: Disclosure content can refer to the best practice reference examples on the Taiwan Stock Exchange Corporate Governance Center website.

(VII) Implementation of Ethical Management; Difference from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the Reasons Thereof:

Item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
I. Establishment of ethical corporate management policies and programs				
(I) Does the Company formulate its ethical corporate management policies that have been approved by the Board of Directors? Has the Company declared its ethical corporate management policies and procedures in its guidelines and external documents, and does the Board of Directors and management work proactively to implement its commitment to those management policies?	V		(I) The Board of Directors of the Company formulated the “Ethical Corporate Management Best Practice Principles” and the “Procedures for Ethical Management and Guidelines for Conduct”, and has established sound governance and risk control mechanisms by upholding the core values of “Quality, Integrity, Innovation, Diligent”, in order for legal compliance by the Board and top level management and corporate sustainability. In addition to quarterly education and training for new employees, which is included in advocacy courses, the Company also conducts anti-fraud education and training and examinations for all employees from time to time.	(I) No difference.
(II) Does the Company establish an assessment mechanism for unethical risks, according to which it analyzes and assesses operating activities with high potential unethical risks? Does the mechanism include any precautionary measures against all the conducts as stated in Paragraph 2 of Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?	V		(II) The Company has formulated the “Regulations Governing the Prevention of Insider Trading”, “Code of Ethical Conduct”, “Employee Work Rules”, “Procedures for Ethical Management and Guidelines for Conduct” and “Reporting method” to regulate and prevent relevant staff from unethical conduct such as offering/accepting bribes, illegal political contributions, unreasonable donation/sponsorship/gifts/hospitality or other unwarranted benefits, or the Company's infringement of intellectual property rights or illegal competition, in order to prevent against illegal activities or fraud. A whistle-blowing mechanism is set up for internal and external personnel. The Company conducts investigations in confidentiality and handle the	(II) No difference.

Item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
(III) Has the Company established policies to prevent unethical conduct, with clear statements regarding relevant procedures, conduct guidelines, punishments for violation, and rules for appeal, and does the Company implement them accordingly, and regularly review and correct such measures?	V		(III) The Company's Code of Ethical Conduct, "Procedures for Ethical Management and Guidelines for Conduct", "Whistle-blower System" and Employee Work Rules stipulate punishment and appeals channels in order to promote and implement the Company's "Integrity-based Culture". If the information proves to be true after investigation, the violator shall be mildly/severely punished based on the severity of the violation, and the violation case shall be internally announced for employee awareness. The Company's laws and regulations shall be amended and announced to employees when the Company has discovered via annual self-auditing that it does not comply with the Company's business operations.	(III) No difference.
II. Fulfillment of Ethical Corporate Management (I) Does the Company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	V		(I) The Company conducts internal evaluation procedures on new customers/suppliers and refers to information obtained from external credit rating agencies to reduce the chance of trading with unethical companies. The existing customers/suppliers are evaluated on an annual basis based on the materiality principle in order to safeguard the Company's interests.	(I) No difference.
(II) Has the Company established an exclusively (or concurrently) dedicated unit under the Board to implement ethical corporate management, and report to the Board on a regular basis (at least annually) about the ethical corporate management policies, precautionary measures against unethical conducts, as well as the implementation and	V		(II) In order to establish the Company's corporate culture of ethical management, improve its development and establish good business operation, we have formulated and implemented the "Code of Ethical Management". We have set up the corporate governance unit under the Board of Directors as the responsible unit to promote the ethical management of the Company and in charge of 1.	(II) No difference.

Item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
supervision thereof?			helping to integrate the ethical and moral values into the Company's business strategy; 2. planning the internal organization, establishment and responsibilities, and placing a mutual supervision and balance mechanism for the business activities with higher risk of unethical conducts within the business scope; 3. regularly analyzing and evaluating the risk of unethical conducts within the scope of business, with the assistance of the Human Resources Development Center and the Legal Office. The implementation is reported to the Board of Directors at least once a year, and the date of report to the Board of Directors this year was November 7, 2024.	
(III) Has the Company established policies to prevent conflicts of interests, provided proper channels of appeal, and enforced these policies and channels accordingly?	V		(III) The Code of Ethical Conduct and Employee Work Rules stipulate relevant appeal and grievance channels and relevant solution methods and encourage directors, supervisors, managers, and employees to express their opinions for review and discussions on improving the efficiency of ethical corporate management.	(III) No difference.
(IV) Has the Company established effective accounting systems and internal control systems to implement ethical corporate management and had its internal audit unit, based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans and audit the compliance with the prevention programs accordingly or entrusted a CPA to conduct the audit?	V		(IV) Establish an effective and sound accounting and internal control system, fully implement computerized operations and exception management. The Company also established a professional and independent internal audit operation structure.	(IV) No difference.
(V) Does the Company regularly hold internal and external educational trainings on ethical corporate management?	V		(V) The Company advocates integrity and requires employees to sign the Honesty and Integrity Statement during new employee orientation, so as to raise employee awareness on the Company's integrity policy	(V) No difference.

Item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
			and appeals and grievance channels. At least once a year, we conduct advocacy and appraisal on ethical management for all employees. In 2024, the education and training on compliance with business laws and regulations with integrity included physical and online learning. All my colleagues completed the training with a total of 714 person-times, with a total of 714 hours of training hours.	
III. Status of enforcing whistle-blowing systems in the Company				
(I) Has the Company established a concrete whistleblowing and rewarding system, and set up accessible methods for whistleblowers, and designate appropriate and dedicated personnel to investigate the accused?	V		(I) The Code of Ethical Conduct, Employee Work Rules and Whistle-blower System all stipulate the appeals and grievance channels and punishments. In addition to the internal network, the Company's external website provides a mailbox dedicated for complaints of external parties, which shall be handled by designated personnel. In addition, the "convener of Audit Committee" mailbox was set up to increase independence.	(I) No difference.
(II) Has the Company established standard operating procedures for the reported matters, the measures to be taken after the investigation is completed, and the relevant confidential mechanism?	V		(II) The company has established a "Whistleblowing System," which specifies the procedures for handling whistleblower cases. This system is disclosed on the company's official website. The process from receiving a report to completing the investigation is handled by dedicated personnel according to regulations, and relevant information is kept confidential.	(II) No difference.
(III) Does the Company take any measures to protect whistleblowers so that they are safe from mishandling?	V		(III) A designated individual is appointed to handle this, ensuring the protection of the rights of the complainants and maintaining confidentiality of their identities, thereby preventing improper treatment and threats resulting from whistleblowing.	(III) No difference.

Item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
IV. Enhanced disclosure of corporate social responsibility information Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company's website and MOPS?	V		The implementation of ethical corporate management has already been disclosed on the Company's official website.	No difference.
V. If the Company has established Ethical Corporate Management Principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies", describe any deviations between the principles and their implementation: None.				
VI. Other important information that facilitate the understanding of the implementation of ethical corporate management (such as review and amendment of the Company's "Ethical Corporate Management Best Practice Principles"): The company has established various regulations, including the "Code of Conduct and Guidelines for Ethical Business Operations," "Measures for Preventing Insider Trading," "Code of Ethics," "Corporate Governance Practices," "Guidelines for Ethical Business Operations," and "Whistleblower System," which are disclosed on the company's official website.				

- (VIII) Other Significant Information that Provides Better Understanding of the State of Operations of Corporate Governance: Please refer to the "Investor Relations" section of the Company's official website.
- (IX) The following matters regarding the internal control system implementation status shall be disclosed:
1. Statement of Internal Control: Please refer to page 54.
 2. Any CPA commissioned to conduct a project review of the ICS shall disclose the CPA's audit report: None.
- (X) Material resolutions of a Shareholders' Meeting or a Board of Directors meeting during the most recent fiscal year or during the current fiscal year up to the publication date of the Annual Report: Please refer to page 55-58.
- (XI) Major contents of any dissenting opinions on record or stated in a written statement made by Directors or Supervisors regarding material resolutions passed by the Board of Directors' meetings in the most recent year up to the publication date of the annual report: None.

Swancor Holding Company Limited
Statement of Internal Control System

Date: March 6, 2025

Based on the findings of a self-assessment, the Company states the following with regard to its internal control system during the year of 2024:

- I. The Company acknowledges that the establishment, implementation, and maintenance of an internal control system is the responsibility of the Board of Directors and managers, and the Company has established an internal control system. The internal control system is designed to provide reasonable assurance for the effectiveness and efficiency of the operations (including profitability, performance, and protection of assets), reliability, timeliness, and transparency of reporting, and compliance with applicable laws and regulations.
- II. The internal control system has innate limitations. No matter how robust and effective the internal control system, it can only provide reasonable assurance of the achievement of the foregoing three goals; in addition, the effectiveness of the internal control system may vary due to changes in the environment and conditions. However, the internal control system of the Company has self-monitoring mechanisms in place, and the Company will take corrective action against any defects identified.
- III. The Company uses the assessment items specified in the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations") to determine whether the design and implementation of the internal control system are effective. Based on the process of control, the assessment items specified in the Regulations divide the internal control system into five constituent elements: 1. control environment; 2. risk assessment; 3. control activities; 4. information and communications; and 5. monitoring activities. Each constituent element includes a certain number of items. For more information on such items, refer to the Regulations.
- IV. The Company has already adopted the aforementioned Regulations to evaluate the effectiveness of its internal control system design and operating effectiveness.
- V. Based on the findings of such evaluation, the Company believes that, on December 31, 2024, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws and regulations.
- VI. This statement will constitute the main content of the Company's annual report and the prospectus and will be disclosed to the public. Any falsehood or concealment with regard to the above contents will entail legal liability under Article 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. The Company hereby declares that this statement had been approved by the Board of Directors on March 6, 2025. Among the eight directors present, none raised any objection to the contents of this statement.

Swancor Holding Company Limited

Chairman: Jau-Yang Tsai

General Manager: Hsiao-Te Tsai

Major resolutions of the shareholder meeting(s), board of directors, audit committee and Remuneration Committee in the most recent year as of the date of publication of the Annual Report

I. Major resolutions of the annual shareholders meeting:

Meeting Date	Major resolutions	Status of execution
May 31, 2024	1、2023 Earnings Distribution Plan	<p>1. The cash dividend of NT\$6 is found through distribution of each share. Due to the fact that the conversion of the convertible corporate bonds to ordinary shares has effects on the payout ratio, the Company announced an adjustment to the payout ratio on June 13, 2024. After the adjustment, NT\$ 5.55094536 is distributed for each share as the dividend yield for earnings.</p> <p>2. The base date of interest distribution is July 7 2024 and the date of distribution is July 26, 2024.</p>

II. Major board of directors resolutions:

Meeting Date	Major resolutions	Items listed in Article 14-3 of the Securities and Exchange Act	Dissenting or qualified opinion of the independent director	Handling of the opinions of the independent director
Third in 2024 1st meeting February 1, 2024	1、The Company's 2024 Business Report			
	2、2023 year-end bonus for the Company's managers.	V	Nil	Nil
	3、2023 bonuses and subsidies for the Company's managers.	V	Nil	Nil
	4、Cancellation of the issuance of restricted employee rights new shares already issued by the company for capital reduction.	V	Nil	Nil
	5、Change of the company's business registration address.			
	6、Change of personnel responsible for keeping the seal of the Ministry of Economic Affairs Industrial Registration.			
	7、Revise some provisions of the "Articles of Incorporation" of Swancor Innovation & Incubation Co., Ltd.			
Third in 2024 2nd meeting March 11, 2024	1、Distribution of 2023 employee compensation and remuneration to Directors			
	2、2023 Business Report and Financial Statements			
	3、2023 Earning Distribution Plan			
	4、Convening General Meeting of Shareholders in 2024			
	5、2023 Annual Statement of Internal Control System	V	Nil	Nil
	6、Revise some provisions of the "Procedure for Board of Directors Meetings", "Audit Committee Charter", "Corporate Governance Practice Principles" and "Labor and Wage Cycle" of the Company	V	Nil	Nil
	7、Endorsement Guarantee of the Company	V	Nil	Nil

Meeting Date	Major resolutions	Items listed in Article 14-3 of the Securities and Exchange Act	Dissenting or qualified opinion of the independent director	Handling of the opinions of the independent director
Third in 2024 3th meeting May 9, 2024	1、Adjustment and change of CPAs due to internal restructuring of the accounting firm	V	Nil	Nil
	2、Financial statements for the first quarter of 2024			
	3、Price adjustment during the period of suspension of conversion of the third secured convertible corporate bonds and the fourth unsecured convertible corporate bonds of the Company	V	Nil	Nil
	4、Appointment and remuneration of the CPAs	V	Nil	Nil
	5、Change of the Company's audit supervisor	V	Nil	Nil
	6、The Company's Manager Appointment			
	7、The Company's Loaning of Funds and Making of Endorsements / Guarantees	V	Nil	Nil
	8、The Company's Loans of Financial Institutions			
Third in 2024 4th meeting May 31, 2024	1、The conditions, record date, and dividend yield for earnings distribution by cash			
	2、Price adjustment during the period of suspension of conversion of the third secured convertible corporate bonds and the fourth unsecured convertible corporate bonds of the Company	V	Nil	Nil
	3、2024 sustainable development goals of the Company			
Third in 2024 5th meeting August 8, 2024	1、Financial statements for the second quarter of 2024			
	2、Cancellation of restricted stock awards in 2023 due to employee resignations and failure to meet vested conditions	V	Nil	Nil
	3、Price adjustment during the period of suspension of conversion of the third secured convertible corporate bonds and the fourth unsecured convertible corporate bonds of the Company	V	Nil	Nil
	4、Revise the "Management Method for Managers' Remuneration" of the Company	V	Nil	Nil
	5、Adjustment of the remuneration to managers			
	6、Proposal for the fifth treasury stock buyback plan	V	Nil	Nil
	7、Proposal for the Company's disposal of the equity interest of Swancor (Jiangsu) New Materials Co., Ltd.	V	Nil	Nil
	8、The Company's Loaning of Funds and Making of Endorsements / Guarantees	V	Nil	Nil
	9、The Company's Loans of Financial Institutions			
	10、The Company's 2023 sustainability report			
Third in 2024 6th meeting November 7, 2024	1、Financial statements for the third quarter of 2024			
	2、Setting the baseline date for the Company's fifth treasury stock buyback and capital reduction	V	Nil	Nil
	3、Price adjustment during the period of suspension of conversion of the third secured convertible corporate bonds and the fourth	V	Nil	Nil

Meeting Date	Major resolutions	Items listed in Article 14-3 of the Securities and Exchange Act	Dissenting or qualified opinion of the independent director	Handling of the opinions of the independent director
	unsecured convertible corporate bonds of the Company			
	4、Resignation and appointment of General Managers	V	Nil	Nil
	5、The Company's 2025 Audit Plan			
	6、Amendment to the Company's "Organizational Structure Management Regulations," "Subsidiary Supervision and Management Operating Procedures," and certain provisions of the "Sustainability Report Preparation and Verification Procedures"	V	Nil	Nil
	7、Endorsement Guarantee of the Company	V	Nil	Nil
	8、The Company's Loans of Financial Institutions			
	9、Cancellation of the corporate governance operations management for Swancor Innovation and Incubation Co., Ltd., the subsidiary.			
Third in 2025 1st meeting January 21, 2025	1、The Company's 2025 Business Report			
	2、2024 year-end bonus for the Company's managers.	V	Nil	Nil
	3、2024 bonuses and subsidies for the Company's managers.	V	Nil	Nil
	4、Proposal for the remuneration to chairman	V	Nil	Nil
	5、Cancellation of the issuance of restricted employee rights new shares already issued by the company for capital reduction.	V	Nil	Nil
	6、Price adjustment during the period of suspension of conversion of the third secured convertible corporate bonds and the fourth unsecured convertible corporate bonds of the Company	V	Nil	Nil
	7、Change of the funding utilization plan for the third domestic guaranteed convertible bonds and fourth unsecured convertible bonds for the year 2021	V	Nil	Nil
	8、Revise the "Management Method for Managers' Remuneration" of the Company	V	Nil	Nil
	9、Setting 2025 sustainable development goals			
Third in 2025 2nd meeting March 6, 2025	1. Distribution of 2024 employee compensation and remuneration to Directors			
	2、2024 Business Report and Financial Statements			
	3、2024 Earning Distribution Plan			
	4、Amendments to partial content of the Articles of Incorporation	V	Nil	Nil
	5、Election of Directors			
	6、Nomination of candidates for directors and independent directors			
	7、Proposal on releasing the prohibition of newly elected directors and their representatives from undertaking activities competitive with the Company			

Meeting Date	Major resolutions	Items listed in Article 14-3 of the Securities and Exchange Act	Dissenting or qualified opinion of the independent director	Handling of the opinions of the independent director
	8、Convening General Meeting of Shareholders in 2025			
	9、2024 Annual Statement of Internal Control System	V	Nil	Nil
	10、Adjustment and change of CPAs due to internal restructuring of the accounting firm	V	Nil	Nil
	11、Appointment and remuneration of the CPAs	V	Nil	Nil
	12、Endorsement Guarantee of the Company	V	Nil	Nil
	13、The Company's Loans of Financial Institutions			
	14、Change of personnel responsible for keeping the seal of the Ministry of Economic Affairs Industrial Registration.			

III. Major resolutions of the Audit Committee:

Meeting Date	Proposals	Matters referred to in Article 14-5 of the Securities and Exchange Act	Resolution Result	Swancor's response to the opinions of the Audit Committee
Third in 2024 1st meeting March 11, 2024	1、Distribution of 2023 employee compensation and remuneration to Director			
	2、2023 Business Report and Financial Statements	V	All members agree to pass it.	Approved by all members of the Board of Directors
	3、2023 Earning Distribution Plan			
	4、2023 Annual Statement of Internal Control System	V	All members agree to pass it.	Approved by all members of the Board of Directors
	5、Revise some provisions of the “Procedure for Board of Directors Meetings”, “Audit Committee Charter”, “Corporate Governance Practice Principles” and “Labor and Wage Cycle” of the Company	V	All members agree to pass it.	Approved by all members of the Board of Directors
	6、Endorsement Guarantee of the Company	V	All members agree to pass it.	Approved by all members of the Board of Directors
Third in 2024 2nd meeting May 9, 2024	1、Adjustment and change of CPAs due to internal restructuring of the accounting firm	V	All members agree to pass it.	Approved by all members of the Board of Directors
	2、Financial statements for the first quarter of 2024			

Meeting Date	Proposals	Matters referred to in Article 14-5 of the Securities and Exchange Act	Resolution Result	Swancor's response to the opinions of the Audit Committee
	3 、 Appointment and remuneration of the CPAs	V	All members agree to pass it.	Approved by all members of the Board of Directors
	4 、 Change of the Company's audit supervisor	V	All members agree to pass it.	Approved by all members of the Board of Directors
	5 、 The Company's Loaning of Funds and Making of Endorsements / Guarantees	V	All members agree to pass it.	Approved by all members of the Board of Directors
Third in 2024 3th meeting August 8, 2024	1 、 Financial statements for the second quarter of 2024			
	2 、 Revise the "Management Method for Managers' Remuneration" of the Company	V	All members agree to pass it.	Approved by all members of the Board of Directors
	3 、 Proposal for the fifth treasury stock buyback plan	V	All members agree to pass it.	Approved by all members of the Board of Directors
	4 、 Proposal for the Company's disposal of the equity interest of Swancor (Jiangsu) New Materials Co., Ltd.	V	All members agree to pass it.	Approved by all members of the Board of Directors
	5 、 The Company's Loaning of Funds and Making of Endorsements / Guarantees	V	All members agree to pass it.	Approved by all members of the Board of Directors
Third in 2024 4th meeting November 7, 2024	1 、 Financial statements for the third quarter of 2024			
	2 、 Resignation and appointment of General Managers	V	All members agree to pass it.	Approved by all members of the Board of Directors
	3 、 Amendment to the Company's "Organizational Structure Management Regulations," "Subsidiary Supervision and Management Operating Procedures," and certain provisions of the "Sustainability Report Preparation and Verification Procedures"	V	All members agree to pass it.	Approved by all members of the Board of Directors
	4 、 Endorsement Guarantee of the Company	V	All members agree to pass it.	Approved by all members of the Board of Directors
Third in 2025 1st meeting January 21, 2025	1 、 Change of the funding utilization plan for the third domestic guaranteed convertible bonds and fourth unsecured convertible bonds for the year 2021	V	All members agree to pass it.	Approved by all members of the Board of Directors
	2 、 Revise the "Management Method for Managers' Remuneration" of the Company	V	All members agree to pass it.	Approved by all members of the Board of Directors

Meeting Date	Proposals	Matters referred to in Article 14-5 of the Securities and Exchange Act	Resolution Result	Swancor's response to the opinions of the Audit Committee
Third in 2025 2nd meeting March 6, 2025	1、Distribution of 2024 employee compensation and remuneration to Directors			
	2、2024 Business Report and Financial Statements	V	All members agree to pass it.	Approved by all members of the Board of Directors
	3、2024 Earning Distribution Plan			
	4、2024 Annual Statement of Internal Control System	V	All members agree to pass it.	Approved by all members of the Board of Directors
	5、Adjustment and change of CPAs due to internal restructuring of the accounting firm	V	All members agree to pass it.	Approved by all members of the Board of Directors
	6、Appointment and remuneration of the CPAs	V	All members agree to pass it.	Approved by all members of the Board of Directors
	7、Endorsement Guarantee of the Company	V	All members agree to pass it.	Approved by all members of the Board of Directors

IV. Important resolutions of the Remuneration Committee:

Date	Proposals	Resolution	The Company's response to Remuneration Committees' opinions
Third in 2024 1st meeting February 1, 2024	1、2023 year-end bonus for the Company's managers.	Approved by all committee members	Approved by all board members
	2、2023 bonuses and subsidies for the Company's managers.	Approved by all committee members	Approved by all board members
Third in 2024 2nd meeting March 11, 2024	1、Distribution of 2023 employee compensation and remuneration to Directors	Approved by all committee members	Approved by all board members
Third in 2024 3th meeting May 9, 2024	1、The Company's Manager Appointment	Approved by all committee members	Approved by all board members
Third in 2024 4th meeting August 8, 2024	1、Revise the "Management Method for Managers' Remuneration" of the Company	Approved by all committee members	Approved by all board members
	2、Adjustment of the remuneration to managers	Approved by all committee members	Approved by all board members

Date	Proposals	Resolution	The Company's response to Remuneration Committees' opinions
Third in 2024 5th meeting November 7, 2024	1、Resignation and appointment of General Managers	Approved by all committee members	Approved by all board members
Third in 2025 1st meeting January 21, 2025	1、2024 year-end bonus for the Company's managers.	Approved by all committee members	Approved by all board members
	2、2024 bonuses and subsidies for the Company's managers.	Approved by all committee members	Approved by all board members
	3、Proposal for the remuneration to chairman	Approved by all committee members	Approved by all board members
	4、Revise the "Management Method for Managers' Remuneration" of the Company	Approved by all committee members	Approved by all board members
Third in 2025 2nd meeting March 6, 2025	1、Distribution of 2024 employee compensation and remuneration to Directors	Approved by all committee members	Approved by all board members

IV. Information on CPA Professional Fees:

- (I) If any non-audit fee paid to CPAs, CPA's accounting firm and its affiliates accounts for over one-fourth of audit service fee, the amount of non-audit fee and audit fee and the contents of non-audit service shall be disclosed:

Unit of Amount: NT\$ thousands

CPA Firm	Name of CPAs	Audit Period of Accountants	Audit Fee	Non-Audit Fee	Total	Remarks
KPMG Taiwan	Chen, Cheng-Hsueh	2024	6,170	1,935	8,105	Non-audit public fees include tax project consulting fee of NT\$1,190 thousand, industrial and commercial registration service fee of NT\$699 thousand, and others of NT\$46 thousand
	Tzu-Hsin Chang					

- (II) Where the CPA firm was replaced, and the audit fees in the fiscal year, when the replacement was made, were less than that in the previous fiscal year before replacement, the amount of audit fees paid before/after replacement and reasons for paying this amount shall be disclosed: None.
- (III) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10% or more, please disclose the reduction in the amount of audit fees, reduction percentage, and reasons: None.

V. Replacement of CPA:

(1) Regarding the former CPAs

Date of replacement:	Approved by the Board of Directors on May 9, 2024		
Reason for replacement and explanation:	Internal rotation within the firm		
Explain whether the CPA voluntarily terminates or ceases accepting the appointment, or whether the Appointer terminates or discontinues the appointment.	Party involved		
	Situation	CPAs	Appointer
	Voluntarily terminates the appointment	NA	NA
	Ceases accepting the appointment	NA	NA
Audit report opinions and reasons other than unqualified opinions issued in the last two years	None		
Whether there were any different opinions with the Company	Yes		Accounting principles or practices
			Disclosure of financial statements
			Audit scope or procedures
			Other
	None	V	
	Explanation		
Other disclosures (Items that should be disclosed under Item 1-4 to Item 1-7, Subparagraph 6, Article 10 of this standard)	None		

(2) Regarding the successor CPAs

Name of the accounting firm	KPMG Taiwan
Name of CPAs	Chen, Cheng-Hsueh 、Tzu-Hsin Chang
Commission Date	Approved by the Board of Directors on May 9, 2024
Consultation matters and results regarding the accounting treatment or accounting principles for specific transactions and the potential opinion to be issued on the financial statements prior to the appointment	None
Written opinion of the successor CPAs on matters of disagreement with the former CPAs	None

(3) Response letter from the former CPAs regarding the matters specified in Item 1 and Item 2-3, Subparagraph 6, Article 10 of this regulation : None.

VI. If the Company's Chairman, General Manager, or Managers in charge of finance and accounting operations held positions in an accounting firm or its affiliates in the most recent year, their names, positions, and period of working should be disclosed: None.

VII. Equity transfer or changes to equity pledge of Directors, Supervisors, managerial officers, or shareholders holding more than 10% of company shares during the past year prior to the publication date of this Annual Report

(I) Share changes by directors, supervisors, managers, and major shareholders

Unit: Shares

Title	Name	2024		Current fiscal year as of March 28, 2025	
		Shareholding Increase (Decrease)	Pledged Share Increase (Decrease)	Shareholding Increase (Decrease)	Pledged Share Increase (Decrease)
Chairman	Tsai's Family Holding Co., Ltd.	67,000	0	0	0
Representative of Chairman	Jau-Yang Tsai	447,000	600,000	200,000	0
Director	Tsai's Family Holding Co., Ltd.	67,000	0	0	0
Representative of Director	Hsiao-Yi Tsai	1,093,860	1,125,169	0	116,099
Director	Kuei-Tuan Chen	8,000	0	0	0
Director	Pan-Chiang Yang	0	0	0	0
General Manager	Jau-Yang Tsai (Date of Dismissal: December 31, 2024)	447,000	600,000	NA	NA
General Manager	Hsiao-Te Tsai (Date of Inauguration: January 1, 2025)	0	0	0	100,000
Associate Manager	Chia-Min Hung	0	0	0	0
Associate Manager	Li-Min Hung	2,000	0	0	0
Associate Manager	Yueh-Chung Lin (Date of Dismissal: August 13, 2024)	0	0	NA	NA
Major Shareholder	Jau-Yang Tsai	447,000	600,000	200,000	0
Independent director	Hsiu-Chun Wang	0	0	0	0
Independent director	Chung-Ming Liu	0	0	0	0
Independent director	Sheng-Chung Lin	0	0	0	0
Independent director	Jui-Hua Li	0	0	0	0
Accounting Officer	Mei-Ling Chen	0	0	0	0

(II) Information of the equity transfer: None.

(III) Information of equity pledge:

Name	Reasons for Equity Transfer	Transaction Date	Trading Counterparty	The relationship between the counterparty of the transaction and the company, directors, supervisors and shareholders with a shareholding ratio of more than 10%	Number of Shares	Transaction Price	Name	Reasons for Equity Transfer
Jau-Yang Tsai	Setting	Augst 7, 2024	Mega International Commercial Bank, Ltd Yuanta Securities Co., Ltd.	Nil	600,000	2.16%	0.59%	20,000 thousand
Hsiao-Te Tsai	Setting	February 4, 2025	Yuanta Securities Co., Ltd.	Nil	100,000	1.26%	0.09%	6,110 thousand

VIII. Top 10 Shareholders Who are Related Parties, Spouses, or within Second Degree of Kinship to Each Other

March 28, 2025

Name	Current shareholding		Spouse/minor shareholding		Shareholding by nominees		Name and Relationship between the Company's 10 Largest Shareholders, or Spouses or Relatives within Second Degrees of Kinship		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relation	
Tsai's Family Holding Co., Ltd.	19,380,658	17.56%	0	0.00%	0	0.00%	Jau-Yang Tsai Hsiao-Yi Tsai Hsiao-Te Tsai Hsiao-Wei Tsai	Holding in the name of others	
Representative of Tsai's Family Holding Co., Ltd.: Jau-Yang Tsai	2,657,000	2.41%	0	0.00%	12,762,943	11.57%	Tsai's Family Holding Co., Ltd.	Name used by others for holding	
Ching-Ling Hsu	3,578,206	3.24%	0	0.00%	0	0.00%	Hsiao-Yi Tsai Hsiao-Te Tsai Hsiao-Wei Tsai	Mother Mother Mother	
Jau-Yang Tsai	2,657,000	2.41%	0	0.00%	12,762,943	11.57%	Tsai's Family Holding Co., Ltd. Hsiao-Yi Tsai Hsiao-Te Tsai Hsiao-Wei Tsai	Holding in the name of others Father Father Father	
Su-Man Lin	1,775,000	1.61%	0	0.00%	0	0.00%	-	-	
Sung-Yu Hsu	1,397,000	1.27%	0	0.00%	0	0.00%	-	-	
Hsiao-Yi Tsai	1,393,860	1.26%	0	0.00%	2,461,727	2.23%	Tsai's Family Holding Co., Ltd. Jau-Yang Tsai Ching-Ling Hsu Hsiao-Te Tsai Hsiao-Wei Tsai	Holding in the name of others Father Mother Brother Brother	
Hsiao-Te Tsai	1,393,816	1.26%	0	0.00%	2,229,839	2.02%	Tsai's Family Holding Co., Ltd. Jau-Yang Tsai Ching-Ling Hsu Hsiao-Yi Tsai Hsiao-Wei Tsai	Holding in the name of others Father Mother Brother Brother	
Hsiao-Wei Tsai	1,383,861	1.25%	0	0.00%	0	0.00%	Tsai's Family Holding Co., Ltd. Jau-Yang Tsai Ching-Ling Hsu Hsiao-Yi Tsai Hsiao-Te Tsai	Holding in the name of others Father Mother Brother Brother	
Citi (Taiwan) Commercial Bank is entrusted with the custody of UBS European SE investment account	1,291,653	1.17%	0	0.00%	0	0.00%	-	-	
HSBC Bank (Taiwan) Limited is entrusted with the custody of Merrill Lynch International's investment account.	1,230,000	1.11%	0	0.00%	0	0.00%	-	-	

IX. Number of shares held and percentage of stake of investment in other companies by the company, the company's director, supervisor, managerial officer, or an entity directly or indirectly controlled by the company, and calculations for the consolidated shareholding percentage of the above categories.

March 31, 2025 Unit: Shares: %

Reinvested Company (Note 1)	Investment by the company		Investment by directors/supervisors/managers and by companies directly or indirectly controlled by the Company		Total investment	
	Shares	%	Shares	%	Shares	%
Swancor Innovation & Incubation Co., Ltd.	21,000,000	100%	-	-	21,000,000	100%
S-Wanlai Co., Ltd.	35,000,000	100%	-	-	35,000,000	100%
Strategic Capital Holding Limited	9,601,250	100%	-	-	9,601,250	100%
Swancor Ind. Co., Ltd. (SAMOA)	7,100,000	100%	-	-	7,100,000	100%
Swancor Advanced Materials Co., Ltd.	319,517,122	79.21%	-	-	319,517,122	79.21%
Anhui Meijia New Materials Co., Ltd.	50,000,000	18.86%	-	-	50,000,000	18.86%
Swancor (Tianjin) Wind Blade Materials Co., Ltd.	-(Note 2)	79.21%	-	-	-(Note 2)	79.21%
Swancor(Jiangsu) New Materials Co., Ltd.	-(Note 2)	79.21%	-	-	-(Note 2)	79.21%
Swancor (HK) Investment Co., Ltd.	-(Note 2)	79.21%	-	-	-(Note 2)	79.21%
Swancor Highpolymer Co., Ltd.	41,580,000	79.21%	-	-	41,580,000	79.21%
Swancor Ind. (M) SDN. BHD.	32,656,957	79.21%	-	-	32,656,957	79.21%
Sunwell Carbon Fiber Composite Corporation	53,000,000	100%	-	-	53,000,000	100%
Sunwell (Jiangsu) Carbon Fiber Composite Co., Ltd.	-(Note 2)	83.89%	-	-	-(Note 2)	83.89%
COTECH INC.	130,000,000	80.82%	-	-	130,000,000	80.82%
Swancor Recycling Technology (Jiangsu) Ltd.	-(Note 2)	100%			-(Note 2)	100%
Shandong Longneng Renewable Resources Utilization Co., Ltd.	-(Note 2)	43.57%			-(Note 2)	43.57%
Swancor Netherlands B.V.	-(Note 2)	100%	-	-	-(Note 2)	100%

Note 1: Invested by the Company using the equity method

Note 2: The company is a limited company with no share issued.

Chapter 3. Capital Overview

I. Capital and Shares

(I) Sources of capital:

Unit: shares / NT\$ thousands

Year and month	Issue price	Authorized capital		Paid-in capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Sources of capital	Capital increase by assets other than cash	Other
August 2016	10	200,000,000	2,000,000,000	90,833,670	908,336,700	Conversion of shares	Nil	Note 1
February 2017	10	200,000,000	2,000,000,000	90,847,147	908,471,470	Convertible bonds	Nil	Note 2
September 2018	10	200,000,000	2,000,000,000	93,504,604	935,046,040	Convertible bonds	Nil	Note 3
September 2022	10	200,000,000	2,000,000,000	98,096,340	980,963,400	Convertible bonds	Nil	Note 4
December 2022	10	200,000,000	2,000,000,000	98,131,104	981,311,040	Convertible bonds	Nil	Note 5
May 2023	10	200,000,000	2,000,000,000	98,132,170	981,321,700	Convertible bonds	Nil	Note 6
August 2023	10	200,000,000	2,000,000,000	98,560,126	985,601,260	New Restricted Employee Shares	Nil	Note 7
April 2024	10	200,000,000	2,000,000,000	98,542,261	985,422,610	Cancellation of Restricted Employee Rights Shares	Nil	Note 8
June 2024	10	200,000,000	2,000,000,000	101,826,538	1,018,265,380	Convertible bonds	Nil	Note 9
September 2024	10	200,000,000	2,000,000,000	106,340,376	1,063,403,760	Convertible bonds and Cancellation of Restricted Employee Rights Shares	Nil	Note 10
November 2024	10	200,000,000	2,000,000,000	110,280,393	1,102,803,930	Convertible bonds and Cancellation of Treasury Shares	Nil	Note 11
February 2025	10	200,000,000	2,000,000,000	110,337,689	1,103,376,890	Convertible bonds and Cancellation of Restricted Employee Rights Shares	Nil	Note 12

Note 1:	August 31, 2016	Jing-Shou-Shang No. 10501191530
Note 2:	February 3, 2017	Jing-Shou-Shang No. 10601012770
Note 3:	September 18, 2018	Jing-Shou-Shang No. 10701118190
Note 4:	September 1, 2022	Jing-Shou-Shang No. 11101167640
Note 5:	December 1, 2022	Jing-Shou-Shang No. 11101231970
Note 6:	May 22, 2023	Jing-Shou-Shang No. 11230083930
Note 7:	August 22, 2023	Jing-Shou-Shang No. 11230163450
Note 8:	April 1, 2024	Jing-Shou-Shang No. 11330033530
Note 9:	June 20, 2024	Jing-Shou-Shang No. 11330094200
Note 10:	September 16, 2024	Jing-Shou-Shang No. 11330161270
Note 11:	November 28, 2024	Jing-Shou-Shang No. 11330206760
Note 12:	February 27, 2025	Jing-Shou-Shang No. 11430020740

March 28, 2025 Unit: Shareholding Type	Authorized capital			Remarks
	Outstanding Shares (Note)	Unissued shares	Total	
Registered common shares	110,337,689	89,662,311	200,000,000	

Note: All issued shares of the Company are listed shares.

Information on the Shelf Registration System

Types of securities	Amount of scheduled issuance		Amount issued		The purpose and expected benefits of the issued shares	Unissued shares Scheduled time of issuance	Note
	Total number of shares	Approved amount	Shares	Price			
N/A							

(IV) List of major shareholders

March 28, 2025

Major Name of shareholder	Shares Shares Held	Shareholding (%)
Tsai's Family Holding Co., Ltd.	19,380,658	17.56%
Ching-Ling Hsu	3,578,206	3.24%
Jau-Yang Tsai	2,657,000	2.41%
Su-Man Lin	1,775,000	1.61%
Sung-Yu Hsu	1,397,000	1.27%
Hsiao-Yi Tsai	1,393,860	1.26%
Hsiao-Te Tsai	1,393,816	1.26%
Hsiao-Wei Tsai	1,383,861	1.25%
Citi (Taiwan) Commercial Bank is entrusted with the custody of UBS European SE investment account	1,291,653	1.17%
HSBC Bank (Taiwan) Limited is entrusted with the custody of Merrill Lynch International's investment account.	1,230,000	1.11%

(VI). Company's dividend policy and implementation thereof

1. Dividend Policy:

The annual earnings of the Company shall be first appropriated to pay taxes and offset accumulated losses before allocating 10% of the remaining earning to the legal reserve (not applicable where accumulated legal reserve has reached the amount required by law and regulations) and a special reserve in accordance to the Company's operating needs and pursuant to the applicable law and regulations. Any retained earnings available for distribution together with the accumulated undistributed retained earnings may be proposed by the BOD to appropriate and be resolve at the shareholders' meeting.

The Company is currently in a growth stage. The Company's policy on the distribution of dividends to shareholders is subject to the Company's current and future investment environment, capital requirements, domestic and international competition and capital budget, taking into account the interests of shareholders and the Company's long-term financial planning. The shareholders' bonus shall be appropriated from accumulated distributable earnings, of which no less than 30% shall be distributed from the current year's distributable earnings. Shareholders' bonus may be distributed in the form of cash or shares, of which cash dividend shall not be less than 10% of the shareholders' bonus.

2. Resolution of the shareholders' meeting: (passed by the board of directors but has not yet been approved by the shareholders' meeting)

On March 6, 2025, a resolution was passed by the Board of Directors to approve

the earnings distribution for 2024 to distribute cash dividends totaling NT\$251,614,317, equivalent to NT\$2.3 per share.

(VII) The effects of stock dividends proposed this year on company operating performance and earnings per share:

On March 6, 2025, the 2024 earnings distribution has been passed by the Board of Directors with no issuance of stock dividends.

(VIII) Employee and Director Remuneration:

1. Quantity or scope of compensation for employees and Directors as prescribed under the Articles of Incorporation:

If the Company is profitable for the current year, no less than 0.01% of the profit is distributable as employees' remuneration, and no higher than 3% is distributable as remuneration for directors. If there is any accumulated loss, the Company's earnings shall be retained to make up for the deficit. Those paid in shares or cash by employee remuneration in the preceding item, shall include the employees with some qualified conditions in the affiliated companies and its conditions and methods shall be decided by the board of directors and submitted to report in the shareholders' meeting.

2. The basis for estimating the amount of employee and director compensation, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period: Any discrepancy is deemed as change in accounting estimate and will be recognized as profit/loss for the following fiscal year.

3. Information on any approval by the Board of Directors of distribution of remuneration:

(1) Distribution of employee cash bonuses and remuneration for directors totaled NT\$11,965 thousand. There is no difference with the estimated amount of the recognized expenses in the year.

(2) The proposed employee stock remuneration allocation as a ratio of the net income after tax for the period and the total employee remuneration: Not applicable.

4. Actual distribution of remuneration for employees, directors, and supervisors in the previous year (including the number, sum, and price of shares distributed), and where there were discrepancies with the recognized remuneration for employees, directors, and supervisors, the sum, cause, and treatment of the discrepancy shall be described:

Employee compensation of NT\$1,242 thousand and remuneration for directors of NT\$25,824 thousand. There is no deviation between the estimated and actual distribution amount.

(IX) Share buyback:

(1) Share buyback (Completed):

March 31, 2025

Number of Share Buyback	4th Issuance	5th issuance
Purpose of share buyback	Shares Transferred to Employees	protect company reputation and shareholder equity
Buyback Period	2020.3.25~2020.4.28	2024.08.12~2024.09.30
Price Range of Share Buybacks	NT\$37-106	NT\$73-193
Type and Amount of Share Buybacks	1,000,000 shares of common stock	847,000 shares of common stock
Amount of Share Buybacks	NT\$66,341,284	NT\$94,226,879 元
Proportion of Quantity Bought Back to Scheduled Buyback Quantity	50%	56.47%
Number of Retired and Transferred Shares	287,000 shares	847,000 shares
Cumulative Number of Shares of the Company	713,000 shares	0 shares
Proportion of Cumulative Number of Shares Held to Total Number of Shares Issued (%)	0.65%	0%
Subsequent Treatment	On January 17, 2022, 287,000 shares were transferred to employees, leaving 713,000 shares untransferred.	The cancellation date has been processed as November 28, 2025.

(2) Share buyback (In progress): None.

II. Corporate Bonds:

1. Situations of Corporate Bonds

March 31, 2025

Corporate Bond Type		3rd Domestic Secured Convertible Bond	4th Domestic Unsecured Convertible Bond
Issue date		September 27, 2021	September 28, 2021
Denomination		NT\$100,000 per par value	NT\$100,000 per par value
Issuing and transaction location		Taipei Exchange	Taipei Exchange
Issue price		Issued at 108.38% of par value	Issued at 103.45% of par value
Total price		NT\$ 1 billion	NT\$ 1 billion
Coupon rate		0%	0%
Tenor		5-year maturity: September 27, 2026	5-year maturity: September 28, 2026
Guarantee agency		First Commercial Bank Co., Ltd.	None
Consignee		Yuanta Commercial Bank Co., Ltd.	Yuanta Commercial Bank Co., Ltd.
Underwriting institution		Yuanta Securities Co., Ltd.	Yuanta Securities Co., Ltd.
Certified lawyer		Lawyer Ya-Wen Chiu, Far East Law Office	Lawyer Ya-Wen Chiu, Far East Law Office
CPA		KPMG Taiwan Accountants: Cheng Hsueh, Chen and Tzu-Hsin, Chang	KPMG Taiwan Accountants: Cheng Hsueh, Chen and Tzu-Hsin, Chang
Repayment method		Except for the conversion of the convertible bonds into common shares of the Company pursuant to Article 10 of the Issuance Method or the exercise of the right of sale pursuant to Article 19 of the Issuance Method, and the early redemption of the bonds by the Company pursuant to Article 18 of the Issuance Method, the Company will repay the bonds held by the bondholders in cash within seven business days from the day following the maturity of the bonds at their denomination.	Except for the conversion of the convertible bonds into common shares of the Company pursuant to Article 10 of the Issuance Method or the exercise of the right of sale pursuant to Article 19 of the Issuance Method, and the early redemption of the bonds by the Company pursuant to Article 18 of the Issuance Method, the Company will repay the bonds held by the bondholders in cash within seven business days from the day following the maturity of the bonds at their denomination.
Outstanding principal		NT\$ 336,500,000	NT\$ 72,500,000
Terms of redemption or advance repayment		Please refer to the Company's Issuance and Conversion Method of Corporate Bonds	Please refer to the Company's Issuance and Conversion Method of Corporate Bonds
Restrictive clause		Please refer to the Company's Issuance and Conversion Method of Corporate Bonds	Please refer to the Company's Issuance and Conversion Method of Corporate Bonds
Name of credit rating agency, rating date, rating of corporate bonds		None	None
Other Rights Attached	As of the publication date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, global depositary receipts or other securities	From the issue date to March 31, 2025, creditors filed applications for conversion of 7,163,673 shares of the Company's ordinary shares.	From the issue date to March 31, 2025, creditors filed applications for conversion of 10,289,252 shares of the Company's ordinary shares.
	Issuance and conversion (exchange or subscription) method	Please refer to the Bond Issuance Information in the Bond & Credit Section of the Market Observation Post System.	Please refer to the Bond Issuance Information in the Bond & Credit Section of the Market Observation Post System.
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity		Based on the current conversion price of NT\$89.1, the maximum dilution effect to the original shareholders is 3.31%.	Based on the current conversion price of NT\$85.6, the maximum dilution effect to the original shareholders is 0.76%.
Name of the fiduciary custodian institution for the exchange of the subject		None	None

2. The information of convertible bonds

March 31, 2025

Corporate Bond Type		3rd Domestic Secured Convertible Bond		4th Domestic Unsecured Convertible Bond	
Year		2024	Ended in March 31, 2025	2024	Ended in March 31, 2025
Department of Official Price for the Convertible Bonds	Max.	172.00	111.00	177.00	(Note)
	Min.	109.10	103.60	111.00	(Note)
	Average	135.81	108.73	136.53	(Note)
Conversion Price		89.10	89.1	85.6	85.6
Issuance (Processing) Date and Conversion Price at Issuance		Issuance Date: September, 27, 2021 Conversion Price 99.00		Issuance Date: September, 28, 2021 Conversion Price 95.0	
Means of performing conversion obligations		Issuance of new shares		Issuance of new shares	

Note: There is no transaction information as of March 31, 2025.

III. Preferred shares: None.

IV. Participation in Global Depository Receipts: None.

V. Subscription of Warrants for Employees:

- (I) Status of issue and private placement of subscription of warrants for employees that are not yet mature: None.
- (II) Names and conditions of managerial officers and top 10 employees who have received subscription of warrants for employees as of the date of publication of this Annual Report: None.
- (III) Status of any private placement of subscription of warrants for employees in the most recent three years: None.

VI. New Restricted Employee Shares:

- (I) Status and Impact on Shareholders' Equity of Restricted Stock Awards

March 31, 2025

Type of Restricted Stock Awards	1st Issue (Period) New Restricted Employee Shares
Effective Date of Declaration and Total Number of Shares	Date : June 9, 2023 Total number of shares : 450,000 shares
Date of Issuance	August 8, 2023
Number of Restricted Stock Awards Issued	427,956 shares
Number of Restricted Stock Awards Available for Issuance	22,044 shares
Issue price	NT\$0 per share, i.e., shares granted to employees.
Percentage of Issued Restricted Stock Awards to Total Issued Shares	0.42%
Conditions for Acquiring Restricted Stock Awards	(1) If an employee is still in employment on each vesting date after being allotted (i.e., the capital increase recordation date) new restricted employee shares, and has not violated the Company's labor contract, work rules, prohibition of competition, prohibition of part-time employment, confidentiality agreement or contractual agreements with the Company during the period as approved by the Company, and has

	<p>achieved the employee's personal performance evaluation objectives set by the Company and the Company's operating goals for each year, the vesting percentage of new restricted employee shares on each year's vesting date shall be as follows:</p> <ul style="list-style-type: none"> ● Completion of 1 year of service after allotment: 40% of allotted shares. ● Completion of 2 year of service after allotment: 60% of allotted shares. <p>(2) Employee's personal performance evaluation objectives: according to the evaluation grade of the year before each vesting date, the employee's individual performance evaluation result shall be S (including S) or above.</p> <p>(3) The Company's operating goals: If the Company's net income for the period, after excluding "gain/loss on disposal of investments" and related taxes, attributable to the owners of the parent company in the consolidated financial statements for the year preceding each vesting date is a positive amount, the Company's target achievement rate shall be calculated based on the growth rate of consolidated operating revenues (excluding operating revenues from mergers and acquisitions during the vesting period) compared to 2022.</p> <ul style="list-style-type: none"> ● Growth in operating revenue in 2023 compared to 2022: threshold 10%, target 45%. ● Growth in operating revenue in 2024 compared to 2022: threshold 25%, target 80%. <p>Note 1. The Company's target achievement rate: less than the threshold: 0%, equal to the threshold: 50%, more or equal to the target: 100%, between the threshold and the target: calculated by interpolation.</p> <p>Note 2. The actual number of shares to be vested shall be calculated based on the vesting ratio set by the Company's achievement of operating goals and the employees' individual performance evaluations. If a calculation of the aforementioned ratio results in a fraction or decimal point, it shall be rounded off. The calculation of the vested shares shall be completed up to the number of shares, and any share that is less than one shall be unconditionally rounded off.</p>
--	--

Restricted Rights of Restricted Stock Awards	<p>(1) Employees shall not sell, mortgage, transfer, donate, pledge or dispose of the new restricted employee shares until the vesting conditions have been met after allotting the new shares, except for inheritance.</p> <p>(2) Attendance, proposals, speeches, voting rights and other matters related to shareholders' rights and interests at shareholders' meetings shall be carried out in accordance with the Trust Custody Agreement.</p> <p>(3) In addition to the aforementioned restrictions, employees who are allotted new restricted employee shares in accordance with this method shall not be entitled to the rights and benefits of share allotment, dividend allotment, cash capital increase, capital increase by capital reserve and capital reserve cash allotment until the vesting conditions are met. In the event that the employees who have met the vesting conditions during the period of fifteen business days before the cessation date of each of the Company's share allotment, dividend allotment and stock option to the base date of rights distribution are not entitled to the rights and benefits of share allotment, dividend allotment, stock option, capital increase by capital reserve and capital reserve cash allotment.</p> <p>(4) During the vesting period, the new restricted employee shares shall not participate in the cash capital increase.</p> <p>(5) If cash is refunded during the vesting period as a result of the Company's cash reduction, the refund of the capital reduction not vested as a result of such allotment shall be delivered to a trust and the employee, together with the vested shares, without interest upon satisfaction of the vesting conditions and period; provided that if the vesting conditions are not met upon expiration of the period, the Company shall recover such cash.</p>
Custody Status of Restricted Stock Awards	Trust Custody
Handling of Employees who Fail to Meet Acquisition Conditions for New Shares	For those who fail to meet the acquisition conditions, the Company will reclaim the shares granted free of charge and cancel them in accordance with the law.
Number of Restricted Stock Awards Reclaimed or Purchased	200,796 shares
Number of Restricted Stock Awards Released	0 shares
Number of Restricted Stock Awards Unreleased	227,160 shares
Percentage of Unreleased Restricted Stock Awards to Total Issued Shares (%)	0.21%

Impact on Shareholders' Equity	The percentage of unreleased Restricted Stock Awards to total issued shares is 0.21%, with no significant impact on the dilution of equity rights.
--------------------------------	--

(II) Managers who acquired Restricted Stock Awards and the names of the top ten employees who acquired them before the acquisition:

Unit: Share / NT\$

	Title	Name	Number of Restricted Stock Awards Acquired	Percentage of Acquired Restricted Stock Awards to Total Issued Shares	Released Restricted Rights				Unreleased Restricted Rights			
					Number of Shares with Released Restrictions	Issue price	Issue amount	Percentage of Released Restricted Stock Awards to Total Issued Shares (%)	Number of Shares with Unreleased Restrictions	Issue price	Issue amount	Percentage of Unreleased Restricted Stock Awards to Total Issued Shares
Manager	Chairman	Tsai, Jau-Yang	96,290	0.09%	56,217	0	10	0.33%	40,073	0	10	0.09%
	Deputy General Manager	Chen, Chi-Shen (Note 1)										
	Associate Manager	Hung, Chia-Min										
	Associate Manager	Lai, Chi-Nan (Note 2)										
	Associate Manager	Hung, Li-Min										
Employee	General Manager	Kan, Shu-Hsien	111,784	0.11%	44,714	0	10	0%	67,070	0	10	0.11%
	Deputy General Manager	Kuo, Shih-Jung										
	Deputy General Manager	Hung, Mei-Ching										
	Associate Manager	Hsieh, Tsung-Ting										
	Associate Manager	Chen, Chun-An										
	Manager	Chen, Mei-Ling										
	Manager	Wang, Pai-Kuei										
	Manager	Tsai, Chung-Chou										
	Manager	Lin, Kuo-Chuan										
	Manager	Hsu, Cheng-Chia										

Note 1: Chen, Chi-Shen resigned on April 19, 2024.

Note 2: Lai, Chi-Nan resigned on January 22, 2025.

VII. Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies: None.

VIII. Implementation of Fund Usage Plan:

(I). Third Domestic Secured Convertible Bonds and Fourth Unsecured Convertible Bonds in 2021

1. Contents of the Plan

- (1) Approval date and document No. of the industry competent authority: August 24, 2021, (JGZ) Financial-Supervisory-Securities Issuing No. 1100348768 is declared and effective.
- (2) Total Capital Investment required by this plan: NT\$2,118,369 thousand.
- (3) Capital Sources: The issuance of the 3rd Domestic Secured Convertible Bonds and 4th Unsecured Convertible Bonds shall be issued at a nominal value of NT\$100,000, and the issuance price shall be at 108.38% and 103.45%, the nominal value to raise the amount of NT\$1,083,834 thousand and NT \$1,034,535 thousand respectively, the total raised amount is NT \$2,118,369 thousand.
- (4) Projects and estimated application progress

Projects	Reserved Date of Completion	Required capital	Predetermined fund utilization plan						
			2021		2022				2023
			Q3	Q4	Q1	Q2	Q3	Q4	Q1
Construction of Group's R&D and Operation Headquarters	2023 Q1	1,200,000	160,000	105,000	105,000	175,000	205,000	200,000	250,000
Repayment of bank loans	2021 Q3	918,369	918,369	-	-	-	-	-	-
Total		2,118,369	1,078,369	105,000	105,000	175,000	205,000	200,000	250,000

The third domestic secured convertible corporate bonds and the fourth domestic unsecured convertible corporate bonds of the Company were completed on September 24, 2021 and September 27, 2021, respectively, raising funds of NT\$ 1,083,834 thousand and NT\$ 1,034,535 thousand, totaling NT\$ 2,118,369 thousand. In accordance with the plan, it will be used for the construction of the Group's R & D and operation headquarters and the repayment of bank loans from the third quarter of 2021. The repayment of bank loans of NT\$ 918,369 thousand has been completed according to the plan. In addition, in the construction of the Group's R & D and operation headquarters, it was originally planned to start investing funds from the third quarter of 2021 and complete the capital utilization plan in the first quarter of 2023; However, due to the impact of the epidemic situation and the shortage of labor domestically, the progress of the project was slightly delayed, and the project could not be completed according to the original planned time. The Board of Directors has been requested to approve the adjusted fund utilization plan on January 18, 2023 in which it is estimated that the total building area of about 6,005 square meters will remain unchanged, and the total planned amount will also remain NT\$ 1,200,000 thousand. The adjusted fund utilization schedule is as follows:

Projects	Reserved Date of Completion	Required capital	Predetermined Fund Utilization Plan							
			2021~2022 Actual expenditure	2023				2024		
				Q1	Q2	Q3	Q4	Q1	Q2	Q3
Construction of Group's R&D and Operation Headquarters	2024 Q3	1,200,000	609,580	46,171	138,475	74,448	54,829	30,320	194,197	51,980

(5) Content of changing plan:

Projects: Construction of the Group's R&D and Operations Headquarters was completed as of January 2025. A remaining unused amount of NT\$30,484 thousand has been reallocated, with the approval of the Board of Directors on January 21,

2025, to be used as working capital. The working capital utilization plan was completed in the first quarter of 2025. The change in funding for individual items does not exceed 20% of the total raised funds, and therefore does not constitute a change to the original plan.

2. Implementation

Unit: NT\$ thousand

Projects	Status of implementation		2025 Single Quarter of Q1	Ended on March 31, 2025	Reasons for schedule exceeding or lagging and improvement plan
Construction of Group's R&D and Operation Headquarters	Payment Amount	Expected	0	1,169,516	Has been used up as planned.
		Actual	0	1,169,516	
	Performing Progress (%)	Expected	0.00%	100.00%	
		Actual	0.00%	100.00%	
Repayment of bank loans	Payment Amount	Expected	0	918,369	Has been used up as planned.
		Actual	0	918,369	
	Performing Progress (%)	Expected	0.00%	100.00%	
		Actual	0.00%	100.00%	
Working Capital	Payment Amount	Expected	30,484	30,484	Has been used up as planned.
		Actual	30,484	30,484	
	Performing Progress (%)	Expected	100.00%	100.00%	
		Actual	100.00%	100.00%	
Total	Payment Amount	Expected	30,484	2,118,369	—
		Actual	30,484	2,118,369	
	Performing Progress (%)	Expected	1.44%	100.00%	
		Actual	1.44%	100.00%	

3. Expected Benefits and Actual Achievements

Total Capital Investment required by this plan is NT\$2,118,369 thousand, mainly used in construction of Group's R&D and Operation Headquarters and for repayment of bank loans. The expected benefits are as follows:

(1) Expected benefits from construction of Group's R&D and Operation Headquarters

The Company intends to use NT\$1,169,516 thousand of this financing plan to construction of Group's R&D and Operation Headquarters with the estimated total building area about 6,005 square meters. Based on the monthly rent of about NT \$850/square meters in Taiwan Innovation Park leased by the Company and its subsidiaries for the Business Department, it is estimated to save the rental expense of about NT\$ 61,251 thousand each year in the future, after deducting the estimated depreciation expense of NT\$36,790 thousand, thus generating annual rental saving benefit of NT\$24,461 thousand. In addition, the Company and its subsidiaries plan to expand the R&D team size of construction of Group's R&D and Operation Headquarters. Considering that the Company and its subsidiaries aim at taking the self-owned technologies to establish own brands since establishment, the Company and its subsidiaries have provided customized products, all-round technical services and comprehensive products, to meet the needs of customers in

different occasions; therefore, the financing of the construction of Group's R&D and Operation Headquarters will prepare for the long-term development of R&D equipment and manpower, besides saving rental expense, so as to improve the overall management efficiency, and maintain the long-term competitiveness for the Company in the face of industrial technological upgrading and continuous expansion of various businesses, at the same time, improve the company's future business performance.

(2) Expected benefits from repayment of bank loans

The Company intends to use NT\$918,369 thousand of repayment of bank loans, which can not only effectively save interest expenditure and improve the financial structure, but also reduce the dependence on the bank, improve the flexibility of capital dispatching and reduce operation risks. Based on the estimated repayment of the bank loans rates, it is estimated to save interest expense by NT\$ 3,687 thousand in 2021 and NT\$14,748 thousand annually from 2022. At present, the interest rate is at a relatively low level. This issuance can reduce the risk of increasing the interest expense for the Company when the interest rate rises in the future, and alleviate the debt repayment pressure, increase the flexibility of capital dispatching, which is helpful to the Company's capacities of management resilience and long-term competitiveness; as far as viewing the current investment progress of the Company, there is still no significant difference between the forecast benefits and the actual achievements.

(3) Expected benefits from replenishing working capital

The amount of NT\$30,484 thousand from this financing activity is intended to be used to replenish the Company's working capital, in order to meet operational funding needs, reducing reliance on bank financing, increasing flexibility in capital management, and lowering operational risks. Based on the Company's one-year average borrowing interest rate, it is estimated that interest expenses will be reduced by NT\$458 thousand for 2025, and starting from 2026, annual interest expenses will be reduced by NT\$610 thousand.

- (II) Execution plans: Plans that are not yet completed for prior public issuance or private offerings of marketable securities by the end of the quarter before the publication date of the annual report, or that have been completed in recent three years but not yet brought obvious benefits: None.
- (III) Implementation status: The Company's third domestic guaranteed convertible bonds and fourth domestic unsecured convertible bonds have been fully utilized in the first quarter of 2025.

Chapter 4. Business Operational Overviews

I. Business Activities

(I) Business Activities

1. The Company's main businesses:

- (A) Swancor Holdings: General Investment
- (B) Innovation Incubation Business: Forward-looking research and development in innovative materials and incubation of new businesses
- (C) Green energy business: Circular economy business
- (D) Advanced materials business: R&D, production and sales of eco-friendly and highly efficient anti-corrosion resin, wind blades resin, and new composite materials, Circular Economy Materials
- (E) Carbon fiber compound: Carbon fiber reinforced composite materials and its products, glass fiber reinforced composite materials and its products, mold design, R&D, manufacturing and sales

2. The Company's current main products and sales proportion:

Unit: NT\$ thousands; %

Major products	2023		2024	
	Amount	%	Amount	%
Anti-corrosion resin	3,113,269	42.68	3,115,818	39.58
Wind blade resin(Note)	2,303,468	31.58	2,657,867	33.76
Circular Economy Materials	56,697	0.78	129,602	1.65
Others (Note)	1,821,379	24.96	1,968,872	25.01
Total	7,294,813	100.00	7,872,159	100.00

Note: Eco-friendly green-energy materials include resins for lightweight composite materials, energy-saving LED packaging, and energy-saving wind turbine blades, and others such as carbon fiber compound, dividend income and commodity trading.

3. New products and services planned for development:

- A. Development and application of HYVER in the industry of rotary sail for large ships
- B. Development of PU extruded resin
- C. Applications of recyclable resin in hydrogen storage tank fields
- D. Applications of recyclable resin in extrusion fields
- E. Development of transparent prepreg resin
- F. Applications of recyclable resin in large wind turbine blades
- G. Application of recyclable resin in large composites
- H. Research on the application processes of recyclable pultrusion and prepreg resins
- I. Project of Offshore Wind Power Adhesive
- J. Development of degradable infusion resins
- K. Development of infusion resins
- L. Development of degradable hand lay-up resins
- M. Recycling of Carbon Fiber Mats and Their Resin Composite Applications
- N. Rapid Prototyping Process for Thermoplastic Composites
- O. Composite Structural Design and CAE Mechanical Simulation
- P. Application of winding technology in the development of hydrogen cylinders

(II) Industry Overviews

1. Current Status and Development of the Industry

A. Advanced materials business

(1) Environmentally friendly high performance anti-corrosion materials

As the main product of environmental protection and high-performance anti-corrosion materials, vinyl ester resin has irreplaceable advantages in the field of heavy anti-corrosion field, especially in strong acid and alkali, small molecule solvent, strong oxidizing medium, acid ultra-high temperature gas and other strong corrosion conditions, vinyl ester resin has become the only solution. With the development of the industry and the progress of technologies, vinyl ester resin has also developed to the direction of functionalization in recent years, breaking down the original technical performance barrier in vinyl ester resin, such as higher temperature-resistance, stronger oxidation-resistance, less or no volatilization of VOC, lower shrinkage, stronger toughness and with the property of thickening, which add new vitality to the industry of vinyl ester resin.

Vinyl ester resin combines the excellent mechanical properties of epoxy resin with the good workability of unsaturated resin. It is widely used in the antiseptic industry and has gradually expanded into fields such as automotive, shipbuilding, aerospace, military, security, and sports equipment. Additionally, it has shown new demand in industries such as wind power, telecommunications, and petrochemicals, with significant development potential.

As a rising star of environmental protection high-performance anti-corrosion materials, after nearly 30 years of development, the Company has become the No. 1 in China sales volume and a well-known supplier in Asia. This achievement is not only due to the stable product quality and reliable performance, but also stems from the Company's keen grasp of new application opportunities and continuous breakthroughs and innovations in technology.

- a. High-temperature-resistant resin: With the tightening of the environmental protection policy in China, the requirement for anti-corrosion and temperature resistance for the equipment involving high-temperature acid gas emission are more than 220 °C. At this time, with the maximum temperature-resistance of 180°C, traditional phenolic vinyl ester resin cannot meet the requirements of industrial materials. In combination with actual demands, the company has launched ultra-high temperature -resistant 977-S phenolic vinyl ester resin. The hot deformation temperature of pure resin reaches 210°C, and the composite products can be used at 250°C for a long time. At present, which is widely used in environmental-protection equipment for high-temperature flue gas treatment.
- b. Anti-corrosive resin: In response to highly corrosive media such as wet chlorine and hypochlorous acid in industries like chlor-alkali and paper making in mainland China, the Company has developed the 907-S phenolic vinyl ester resin, whose corrosion resistance is competitive with products from leading foreign companies, breaking the foreign monopoly.
- c. Resins for the semiconductor industry: With the upgrading of the semiconductor panel industry and the increasing demand for 4nm process technology, the Company has developed materials with high corrosion resistance, excellent mechanical properties, and fire resistance. These materials have successfully passed world-class fire resistance certifications and are widely used in semiconductor plants for fire and corrosion protection.
- d. Resins for ship desulfurization equipment: The issue of SO₂ emissions from international shipping has attracted attention. The Company's vinyl ester resin

flake luting has been successfully applied to the desulfurization retrofit anti-corrosive equipment of large oceangoing vessels, meeting the IMO 2020 global fuel sulfur content standard of 0.5%.

- e. Low VOC resin: In response to increasingly strict environmental policies on VOC emissions, the Company has launched low styrene 901-LSE vinyl ester resin, styrene-free SF901 vinyl ester resin, and flame-retardant styrene-free SF905 vinyl ester resin, meeting the demand for low or no VOC emissions.
 - f. Resins for special construction environments: Our company has launched a thickening light-curing system resin, which is suitable for repairing confined spaces and has the characteristics of simple construction, fast curing speed, high efficiency and strong safety.
 - g. Anti-static resin: In response to the demand for anti-static materials across various industries, the company has developed a series of anti-static resin products, which have now entered the commercial stage.
 - h. Composites for new energy vehicles: Supported by national policies in China, the new energy vehicle industry has developed rapidly. The Company's products are widely applied in fields such as factory construction and manufacturing of components and parts.
 - i. International services: As domestic companies expand internationally, the Company continues to strengthen its ability to serve customers going abroad.
- (2) Wind turbine blade materials

As an integral component of green new energy, wind power is highly esteemed by nations worldwide. Wood Mackenzie forecasts that from 2024 to 2033, China's newly added and grid-connected wind power capacity will reach 895GW, with onshore wind power accounting for over 80%. The average annual newly installed capacity is expected to exceed 72GW.

With mainland China entering the 14th Five-Year Period, the wind power industry is transitioning into a subsidy-free era. Driven by the goals of carbon peaking and carbon neutrality, the "14th Five-Year Plan for Modern Energy System" and the "14th Five-Year Plan for Renewable Energy Development" was published in 2022, serving as a driving force for the development of China's onshore wind power market in the medium and short term. The central and provincial governments have jointly released over 550GW of reserve projects to promote the continued growth of the market. According to data from the National Development and Reform Commission, China's newly installed wind power capacity in 2024 reached 79.34 GW, the highest number in history, growing by 4.9% compared to 2023.

B. Carbon fiber composite materials

Equipped with professional prepreg, pultrusion, and thermoplastic sheet production lines, our core products include recyclable EzCiclo prepreg, fast-curing prepreg, medium-temperature heavyweight wind power prepreg, high-TG high-temperature resistant prepreg, flame-retardant prepreps, paint-free prepreps, carbon fiber pultruded sheet materials, various types of pultruded sheets, and profiles. In 2024, the Company established filament winding technology for pressure vessels, with new product launch expected in 2025.

(1) Recyclable EzCiclo prepreg

The prepreg made from the Group's newly developed EzCiclo recyclable thermosetting epoxy resin not only possesses the typical characteristics of conventional resins, but is also recyclable. It has passed verification by bicycle customers and

completed the closed-loop testing of life cycle. In addition, full series of recyclable products, such as badminton rackets, fishing rods, and umbrellas, have been launched. More products will be developed in the future based on market trends.

(2) Fast curing prepreg

Our fast-curing flame-retardant prepreg is primarily used in molding processes. It not only meets the UL94V0 flame retardancy requirements for consumer electronics but also enhances molding efficiency, significantly reducing production costs. Some customers have already applied it to cellphone back covers.

(3) Medium temperature heavyweight curing prepreg

The medium-temperature heavyweight prepreg boasts excellent impregnation properties, making it suitable for larger industrial components, such as TFT-LCD CASSETTE, which is used for loading, transportation, and storage of LCD panels during the production process. Utilizing carbon fiber composite materials has the following advantages: 1. light and easy to move; 2. high rigidity to prevent glass crushing; 3. anti-corrosion.

(4) High TG and highly heat resistant prepreg

Our 2559 high TG carbon fiber prepreg is a specially modified highly heat resistant epoxy resin with TG up to 230°C and can be applied to high heat resistant composite materials. Currently, it is mainly used by customers in the vehicle wheeling industry and Industrial machinery and equipment. In the future, we plan to expand its applications in the market based on the product's excellent performance.

(5) Paint-free prepreg

Carbon fiber fabric components traditionally rely on painting processes for exterior treatment. However, with the rise of environmental awareness and increasing labor costs, the cost of traditional painting processes has been steadily increased. The Company's self-developed paint-free prepreg significantly reduces the painting process and can be customized in specific colors based on customer's appearance requirements, making it widely applicable in the composite material industry. It has already passed certification with sports equipment customers and will enter the mass production certification process.

(6) Thermoplastic sheet

The Company's continuous fiber reinforced sheets have the advantage of continuous production, highly reusable, rapid forming and simple production process. Currently, the Company is actively tapping into automotive, 3C electronics, sports equipment, footwear, protective gear and medical devices. The material has been successfully applied to sneakers of renowned brands from China and it is mainly used in basketball shoes and badminton shoes to enhance athletes' comfortability and safety during exercise.

In addition to the shoe material application, this year our thermoplastic has been successfully applied in a large number of mobile phone shell, wear protective gear and other products, providing lightweight, high-strength solutions for consumer electronics, the characteristics of rapid thermoplastic, high efficiency, recyclable meet the demand of mass applications of consumer electronics.

(7) Carbon fiber pultruded sheet

At present, the carbon fiber composite material is mainly used in the girder of wind turbine blades, while there are mainly three kinds of carbon fiber beam

forming processes: prepreg, carbon fiber filler and extrusion carbon fiber board. For composite material processes, CFRP process is the most efficient and produces the lowest cost, and has high fiber content, stable quality, and continuous forming process that is automation-ready, which is suitable for mass production. The main girder can be constructed together with the blades by using CFRP sheets for easy lamination, which shortens the process to 50% that of the filling process, but with higher requirements for blade design, and it is necessary to purchase some machines and tools for laying. Vestas' core business is to make blade beams by use of the extrusion carbon fiber board process. After successful development, it is promoted on a large scale, with MW wind turbine blades made from carbon fiber composite materials, which greatly promotes the application of carbon fiber in the wind power market. In recent years, customers of various international complete machine manufacturers such as Vestas and mainland complete machine manufacturers have started to actively introduce carbon fiber pultrusion sheet materials into the latest long-bladed large wind turbines. Building on the existing market foundation, as wind farms continue to develop, the Company is actively collaborating with international original equipment manufacturers (OEMs) and blade manufacturers from Europe, the U.S., and other regions. In addition to the original carbon plates, the Company has also started the certification process for recyclable carbon plates, continuing to supply larger volumes of carbon fiber pultruded sheet materials.

(8) Winding hydrogen tanks

According to market outlook by Toray, a major carbon fiber manufacturer, the demand for carbon fiber used in hydrogen tanks is expected to reach 90,000 tons by 2030, a fourfold increase compared to 2025. This highlights the potential of hydrogen tanks as a key application for carbon fiber composite materials in the future. The Company began investing resources in 2024 to develop Type IV cylinder winding technology, which can be applied to hydrogen storage and transportation vehicles, and the trial production is planned to initiate in 2025. The introduction of winding technology is not limited to gas cylinders; it can also be used to produce pipes and fittings that require high pressure or high strength. This technology will help the Company expand into new forms of product development.

C 、 Green energy business

(1) Recycled Epoxy Hardener

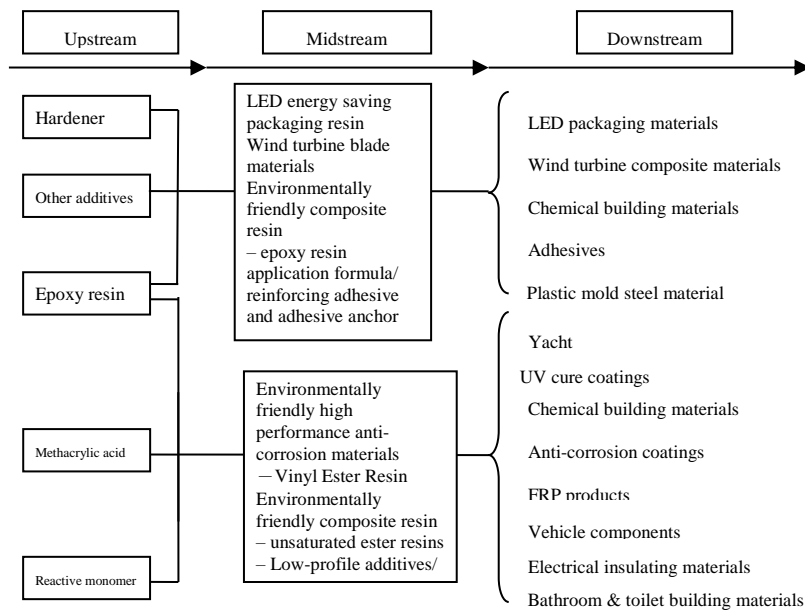
With the continuous growth of global electronic technology, electronic products are progressively becoming lighter, thinner, smaller, and advancing towards higher frequency and speed, driving steady growth in the PCB industry and its upstream, midstream, and downstream material demands. According to industry classification, the upstream includes materials such as fiberglass, copper foil, and resin; the midstream consists of copper-clad laminates (CCL) and printed circuit boards (PCB); and the downstream involves various electronic products. The main application markets are distributed across communication, semiconductors, automotive, and consumer electronics. The total production value of Taiwan's PCB industry chain is estimated to reach NT\$808.3 billion in 2024, a growth of 5% compared to last year, demonstrating a steady development in the industry.

In recent years, driven by sustainable development and carbon reduction requirements from various countries, finding low-carbon raw materials has become a challenge that the PCB industry must face. The Company's main

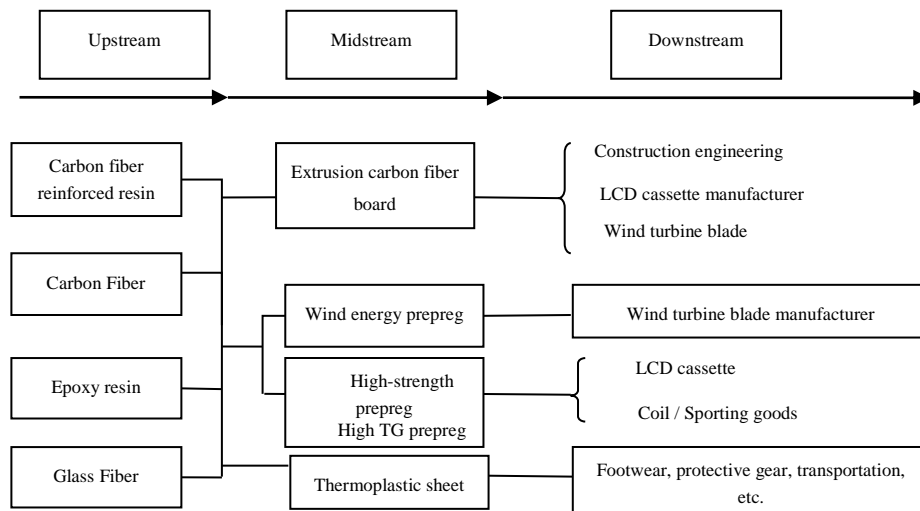
product is low-dielectric recycled epoxy hardener. Through innovative research and development, the Company has enhanced the value of waste plastics, increasing their proportion in the product to over 80%, but also because of its low dielectric properties, the final product can be widely applied in circuit boards for 3C electronics, automotive, and networking industries. More importantly, this type of hardener has the characteristic of being chemically degradable, allowing for the effective separation of discarded metals and fibers from the circuit board at the end of its life cycle, enabling the realization of the circular economy concept and helping to achieve the goal of reducing end-of-life waste.

2. Correlation among upstream, midstream, and downstream of the industry

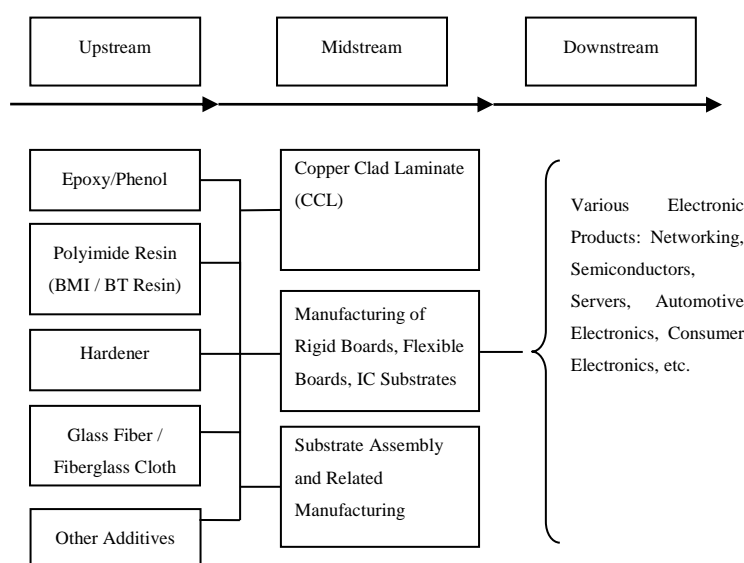
A. Advanced materials business



B. Carbon fiber composite materials



C 、 Green energy business



3. Product development trends and competition status

A. Advanced materials business

(1) Competitive Landscape

The global vinyl ester resin industry originated in the 1960s, with established enterprises mainly concentrated in countries such as those in Europe, the United States, and Japan. In the global market, our company has consistently ranked among the top in terms of output and sales for many years, holding a significant market position. Similarly, in the domestic market in mainland China, our company has maintained a leading position in production volume for many years, boasting a high market share and solidifying our position as a leader in the industry.

(2) Competitive Landscape in the Epoxy Resin Industry

The Company ranks prominently in the domestic market for epoxy resin used in wind turbine blades, with high brand recognition. Globally, although there exists a certain gap in production volume compared to international chemical giants like Hexion, we have surpassed some international enterprises in market share. Overall, our production scale places us among the top globally, with a notable reputation and market share in international markets. The Company possesses strong competitive advantages in product variety, R&D, and technical service capabilities, stable supply abilities, and brand influence. Through independent research and development, we have acquired large-scale production capacities for infusion resin, hand paste resin, mold resin, adhesives, pultrusion resin for wind turbine blade girders, and recyclable thermosetting resin. Additionally, our strategic layout of modern production bases ensures that at least two factories can produce our main products simultaneously, enhancing the stability of the supply chain.

(3) Circular Economy Materials

The Company started early in the field of circular economy materials and has achieved significant results. In June 2022, the Company reached a cooperation intention with Goldwind Science&Technology, Sinoma Science and Technology, and China General Certification Center. In July of the same year, the Company signed a strategic cooperation agreement for recyclable blade resins with Siemens Gamesa. In March 2024, the Company further signed a Letter of Intent (LOI) with Siemens Gamesa, agreeing that starting from 2026, all resins supplied by the

Company to Siemens Gamesa will be from the the series of recyclable products. The Company has become a leading manufacturer in this field globally. In December 2024, the Company signed a joint cooperation agreement with Goldwind Science&Technology and Sinoma Blade, aimed at promoting the green recycling and reuse of wind turbine resources. The three parties will engage in in-depth cooperation in the field of green recycling and reusable wind turbine resources, working together to promote the sustainable development of the wind power industry.

B. Carbon fiber composite materials

(1) Fast-Curing Flame Retardant Prepreg

The conventional molding process for carbon fiber products typically requires around 45 minutes per mold cycle. Our introduction of fast-curing flame retardant prepreg reduces this curing time to 15 minutes per cycle while maintaining unchanged mechanical properties. This significant reduction in mold turnover cycle enhances production efficiency. Additionally, our prepreg meets UL94V0 flame retardancy standards, satisfying requirements for consumer electronics and automotive components. The company's applications in these two industries were relatively late compared to competitors, and our advantages have not been fully highlighted. However, if future costs align with customer performance requirements through collaborative development, significant competitive advantages will undoubtedly emerge.

With the continuous development of 5G smart phones, glass materials for phone backs have become widely used in the market. However, issues such as fragility have not been effectively resolved. Composite materials are expected to be the next trend in product development.

(2) Medium temperature heavyweight curing prepreg

Over the past decade, the panel display industry has achieved a breakthrough, and its industry size was ranked 3rd in the world. China has been accelerating expansion in panel capacity, and has established various advanced generation product lines. China is poised to become the world's largest LCD panel manufacturing base. In the next 10 years, there will still be a rising demand for LCD heavyweight prepreg, but will gradually reach market saturation.

In terms of prepreg competition, there are currently over dozens of prepreg manufacturers in China, about 10 of which are competing in the heavyweight LCD cassette prepreg. Despite rising competition, the stable product quality and professional technical services will be indispensable in the future, as all manufacturers have similar raw materials and production costs. At the same time, when the supply of raw materials is short of demand, Swancor has the advantages of carbon fiber and resin raw materials group to ensure the stable supply of customers. Furthermore, the company is gradually transitioning to the application of EzCiclo to meet green and recyclable performance requirements.

(3) Carbon fiber thermoplastic sheet

In recent years, with the increase of ultra-thin design and lightweight demand of consumer electronic products, carbon fiber is more and more widely used. Carbon fiber has unique advantages such as light weight, high strength and rigidity. However, the traditional thermosetting carbon fiber composite can not meet the demands of low cost and large quantity of 3C electronic products due to its complex

molding process, low molding efficiency and defect rate, etc. Compared with the thermosetting carbon fiber composite, our thermoplastic is favored by the market with rapid prototyping, low cost, environmental protection, product size stability and other advantages. Currently, the company has achieved batch applications in cellphone protective cases and wearable protective gear, with ongoing development for cellphone back covers and computer tablet products, presenting immense market potential.

(4) Carbon fiber pultruded sheet

Given the current industry status and development trends, carbon fiber pultruded sheet materials are experiencing rapid growth in the wind power sector. Leveraging our advantage in carbon fiber and resin raw materials supply, we ensure stable customer supply. Our products' quality and technical services are recognized by international customers. Consequently, we continue to attract new customers. In addition, by supplying recyclable pultruded carbon plates by integrating recyclable resin technology, we also attract other international and mainland machine manufacturers, with many nearing certification completion, poised to generate new revenue in 2025. The competitive raw material supply chain and the flexible supply of production facilities will be crucial determinants affecting sales.

C 、 Green energy business

(1) Recycled Epoxy Hardener

In the global trend of carbon reduction, international leading brands are increasingly requiring their suppliers to present specific carbon reduction plans, putting the electronics industry's supply chain under the pressure of transformation and upgrading. The Company, in line with the global carbon reduction trend, has successfully developed a low dielectric recycled epoxy hardener made from waste plastics, which can be applied in the manufacturing of high-end printed circuit boards, providing the electronics industry with innovative carbon reduction solutions.

Currently, there are no similar recycled material products in the international market. The Company has taken the lead in completing patent and technology layout. The product simultaneously offers the dual advantages of low dielectric properties and carbon and waste reduction. It helps downstream PCB manufacturers meet the sustainability requirements of international major brands for their supply chains, thereby enhancing their global competitiveness. In addition, the manufacturing process of this product significantly increases the usage proportion of waste plastics, effectively reducing costs of raw materials and minimizing environmental impact, thus creating a differentiated product advantage.

Looking ahead, as global carbon neutrality goals progress, innovative materials with carbon reduction benefits will become the mainstream of the market. The Company will continue to optimize product performance, strengthen cooperation with downstream customers, and drive industry upgrading through technological innovation, further solidifying the leading position in the market.

(III) Overview of technology and R&D:

1. R&D expenses invested in the most recent fiscal year

Unit: NT\$ thousands

Item Year	2023	2024
R&D expenses	249,309	271,107
Net operating revenue	7,294,813	7,872,159
Proportion (%)	3.42%	3.44%

2. Research and Development Achievements in 2024

- Recyclable Thermoset Resin Technology

In the industry, two common methods for resin degradation are thermal cracking and traditional chemical degradation. Thermal cracking generates air pollutants during combustion, posing environmental hazards, while traditional chemical degradation leads to solvent waste, causing secondary pollution and hindering complete recycling. The company has introduced degradable groups into the epoxy resin structure, endowing the cured thermosetting resin with degradability. After curing, the resin material can be degraded in a degradation solution called CleaVER, developed by Swancor, achieving the goal of recycling without generating waste solvents or gases.

- Manufacturing technology of new modified epoxy resin

With the booming development of the 5G industry, polyphenylene ether (PPE) is commonly used in the industry to meet electrical requirements. However, PPE has a high viscosity and relatively poor processability, making the design of alternative materials an important issue within the industry. The Company has modified phenolic resins by incorporating free radical-curing functional groups into their structure. In addition, this structure features excellent thermal degradation temperature and high filler compatibility, addressing the challenges faced by the industry.

- Manufacturing technology of free radical modified epoxy resin

In the industry, unmodified epoxy resin systems or unsaturated resin systems are generally used for product perfusion. However, as the industry develops, these resin series are unable to balance cost reduction goals with excellent fatigue resistance performance. The Company has modified epoxy resin by incorporating free radical reactive groups, which form a denser spatial network structure during the reaction process, enhancing the mechanical properties and fatigue resistance of the product, and which also maintain better mechanical properties under high temperature.

- Infiltration technology of resin and fiber

1. The effect of simply adding coupling agent to enhance infiltration will be different for different fiber types and limited by glass fiber manufacturers;
2. Most of epoxy resin plants are simple formula plants with weak modified technology. Silane functional groups were introduced into the formulation, and relevant instruments were used to track the reaction, then obtain the optimized modification conditions.

- Modified technology of resin air-dry graft reaction

The combination of oxygen in the air with phenolic inhibitors in the resin will produce a free radical catching agent, which inhibits resin curing. For the traditional vinyl ester resin, the monomer is styrene with high activity. When the resin coating is thick and the curing heat release is sufficient, the surface is no sticky basically and the surface dryness time is 2-4 hours. When using new dilution monomer, large molecular weight acrylate is chosen generally, its activity is much lower than styrene. Therefore, the surface dryness of the resin manufactured by only replacing styrene will be very

poor, and even sticky. The company's products use air - dry group grafting reaction to improve resin air - drying in the main chain.

- Technology of thermoplastic epoxy synthesis

Thermoplastic materials are mostly PP, PA, PC, PEI, PPS, PEEK and other thermal plasticity systems, and it does not match well with current market infiltration agent, then affect the resin and fiber's immersion effect; In addition, a large amount of cost is required to import special equipment to produce thermoplastic prepreg cloth. The thermoplastic epoxy synthesis technology studied by the company can make the thermoplastic material retain the epoxy properties. Compared with the thermosetting resin, the effect of the infiltration agent can be played and the fiber infiltration is good. It can also extend the original thermosetting prepreg cloth immersion equipment production.

- Carbon fiber pultruded sheet

Swancor's strong resin development capability and resource integration capability has successfully developed extrusion carbon fiber board materials for the main beam of wind turbine blade girder, which has high production efficiency, stable product quality, and high price-performance ratio. Meanwhile, extrusion carbon fiber board can also be applied to sectors such as construction reinforcement. This year, the company further incorporated EzCiclo into the production of pultruded carbon fiber sheets. This not only meets the mechanical standards for wind turbine blades but also facilitates environmental recycling.

- Carbon fiber prepreg

Leveraging our rapid and efficient resin development, product development, and performance testing capabilities, we have successfully developed high-weight carbon fiber prepreg for wind turbine blade girders, industrial-grade prepreg for industrial applications, and high-temperature-resistant prepreg for the bicycle industry. We have also developed prepreg for shock-resistant equipment in the electronics industry and flame-retardant prepreg for the new energy vehicle industry.

- TP sheet

In comparison with traditional thermoplastic sheets, the Company has independent R&D of epoxy resins and sheets with complete intellectual property rights. The resin has the advantages of excellent mechanical properties, easy processing and high cost-effectiveness in combination with the fiber. The first generation of products has already been developed, and the Company is working towards product optimization and market applications. We have stably delivered carbon fiber sheet to make basketball shoes and jogging shoes soles for many brands. In 2023, it has been widely used in 3C electronic products, such as, aramid mobile phone shell, carbon fiber watchband, carbon fiber wear protective accessories, etc.

- Recycled prepreg

By adopting the innovative EzCiclo recyclable resin technology, the Company has developed recyclable prepregs, improving the environmental drawbacks caused by thermosetting resins, with good mechanical performance and similar cost to general prepreg, and successfully entered the sports market, and obtained the qualified rims from the project and test certification of the Bicycle Research Center of the Foundation. This year, the company has successfully penetrated the markets for bicycles, golf, fishing gear, and other products, passing industry product certifications and ensuring stable delivery of recyclable prepreg.

- Recycling of Regenerated Carbon Fiber Mats

The carbon fiber composite components made from EzCiclo resin and prepregs, along with waste materials from the manufacturing process, can be successfully degraded and recycled into high-efficient regenerated carbon fibers with stable quality through the CleaVER recycling technology. Additionally, through the manufacturing process of low-weight non woven fabric, the recycled carbon fibers are made into mats. This year, the Company has further promoted and reintroduced customers in the wind power and bicycle industries, forming a closed-loop application. The Company is now steadily supplying these products and gradually increasing demand.

(IV) Long-term and short-term business development plans

(1) Short term operational development plan

① Production

Strategic alliance with upstream suppliers to ensure the bulk acquisition of key raw materials, evaluate and establish the domestic and overseas recycled thermosetting resin production lines and degraded resin production lines. In addition to production site, continue to carry out the supply distribution in America and Europe to achieve the optimal capacity allocation.

② Product development capability

The company continues to invest in R&D funds, reserve chief experts in R&D, deepen cooperation between industry, academia, and research, establish demonstrative cases for the recycling and reuse of recyclable composite materials, fully support their commercialization, and protect intellectual property rights.

The Company develops new applications (photovoltaics, new transportation, yachts, construction materials, etc.) to deliver green competitiveness.

③ Marketing strategy

Leveraging the long-term advantages in the VE market, the Company is building new channels for recyclable resin, allowing the Company to demonstrate the benefits of a low-carbon green supply chain in the future.

In response to the ongoing global economic changes and the impact of related policies, the Company will actively address the challenges posed by tariff barriers and competitors. Through strategic alliances, the Company aims to collaboratively build a distribution network in the European and American regions, further integrating business and R&D to exploit team competitiveness and provide differentiated services.

④ Business management

1. The Company has established a human resource development and management system that aligns with its strategy, which primarily includes building an international talent team, cultivating sales talent for new applications and products, and strengthening recruitment and retention measures.
2. The Company continues to promote an innovative corporate culture through corporate culture training and advocacy, and encourages and inspires employees' creativity and potential through a core competency reward system and innovation bonuses. In addition, the Company continues to deepen and pass on the corporate cultural philosophy of "innovation for success," enhancing the Company's soft power and sustainability capabilities.

(2) Long-term operational development plan

①Production

We will also ensure stable manufacturing processes, further improve product quality, and plan to expand the international base to serve foreign customers nearby. For example, we will set up a plant in Europe to serve the European blade customers nearby.

②Product development capability

For the advanced materials business, the research and development focus on product and technology innovation, and continue to develop innovative products or improve products to meet the demands of customers in the downstream industry, and transfer the specific technical challenges faced by customers into products and feasible process solutions, provide customers with all-round integrated services from product sales, problem solving and after-sales technical support. The company has formed a core technology with self-dependent intellectual property rights, and applied in industrial production.

For the carbon fiber business, the application of thermoplastic materials is undergoing unified services such as product design and development, marketing of materials, and after-sales services. We dedicate efforts to gradually develop recyclable thermoplastic sheets in the composite materials industry. In terms of wind power CFRP sheets, the Company has continued to optimize the resin formula and process, in order to develop products with better production efficiency and cost competitiveness. We continue to negotiate with major international wind turbine manufacturers to obtain product certifications, and provide products that meet customer needs with competitive prices. We will promote China's blade customers to import and use fiber reinforced pultrusion sheet, continue to carry out certification and cooperation with VESTAS, SGRE, LM and other major international machine manufacturers, and provide products that meet customer requirements and have competitive prices.

Since 2015, the research on recycled thermosetting epoxy resin has been invested. In 2022, it has released the newly global revolutionary innovative products of green circulation economy -- recycled thermosetting epoxy resin "EzCiclo Recyclable Easily" and chemical degradation liquid "CleaVER Resolvable Easily", which have been provided to the global renewable energy leading brands for certification process. Through the global innovation technology developed by Swancor, we made the recycled fan blades After decommissioning, the glass fiber and leaf resin can be recovered at the same time through a simple degradation procedure. The recycled materials can be reused in the production of the blades or other processes. The recycling process does not produce waste solvent, waste gas and other pollution, the recycling process has a low carbon footprint. It solves the environmental pollution problem during blade burial or incineration and the full recovery goal of fan blades can be achieved.

This technology also finds application in carbon fiber composite materials for producing recyclable carbon fiber components, such as sports equipment, carbon plates for wind turbine blades, and future composite material gas cylinders for hydrogen storage. A collaborative effort with allied factories resulted in the world's first recyclable carbon fiber composite bicycle, earning prestigious accolades at the 2023 JEC World in France. In addition to promoting the application of recyclable carbon fiber composites, active research into closed-loop applications of recycled and degraded materials contributes to assisting customers in energy conservation and carbon reduction efforts.

Swancor has a R&D team with innovative and execution abilities, and we are confident that we will be able to deliver products and technologies that meet customer needs, as well as to support corporate growth and profitability.

③Marketing strategy

Continue to provide immediate and effective services by adhering to customer satisfaction. Through the global agent system, we provide customers' demands in different countries, in order to further enhance the relationship with customers and establish a long-term partnership operation model.

Deepen the development strategy of industrial chain integration, integrate upstream resources, improve midstream synergistic effect, and expand downstream brand and pipelines, so as to finally promote the company's comprehensive extension in the whole industrial chain and improve business performance and overall competitiveness.

④Business management

Strengthen the comprehensive quality control, personnel education and training at all levels and perfect employee welfare measures, committed to creating a good environment suitable for talent development and enhance the company's competitiveness.

Carbon fiber composite material is also widely used in the fields of aerospace and automobile. This year, actively seek appropriate cooperation objects in the market, quickly obtain technical and certification barriers by means of merger and acquisition or making investment, accelerate the integration of upstream and downstream of industrial chain, so as to cope with the long-term development of carbon fiber composite industry in the future.

⑤Financial status

Integration of group financial resources primarily supports subsidiaries in raising operational funds, with group funding acting as auxiliary support, aiming to strengthen the financial autonomy of each business entity.

II. Market and Production and Sales Overview

(I) Market analysis

1. Sales region (s) of main products

Unit: NT\$ thousands

Geographical Region \ Year	2023		2024	
	Amount	%	Amount	%
Taiwan	1,296,868	17.78	1,148,259	14.59
China	3,855,949	52.86	3,739,588	47.50
Other regions	2,141,996	29.36	2,984,312	37.91
Total	7,294,813	100.00	7,872,159	100.00

2. Market Share

A. Advanced materials business

In 2024, despite the downturn in the overall chemical industry and the challenges of intensifying competition in China, ethylene-based ester resin products achieved a historic high in both production and sales volume. Leveraging years of accumulated sales channel resources, and continuously optimizing its supply chain system and management capabilities, the Company pursues both internal and

external excellence, further strengthening its leadership position in the industry, and providing customers with high-quality products and value-added services.

Since 2002, when domestically produced wind turbines in mainland China achieved mass production, the annual installed capacity of wind power has grown rapidly. In 2024, the newly installed wind power capacity in mainland China reached a historic high of 79.34 GW. According to forecast of GWEC, the global new wind power installations will primarily come from the markets in mainland China, Europe, and North America from 2024 to 2028. Among them, mainland China will continue to lead the global wind power installation market, accounting for 41%-54% of the global new installations, maintaining its position as the world's largest wind power market. The United States will follow closely behind in new installed capacity, but the uncertainty surrounding wind power policies under the new administration in 2025 (such as suspending offshore wind leasing and planning to suspend the construction of new wind farms) may negatively impact the industry and weaken investors' confidence.

The Company has a high level of recognition in China's market for epoxy resin used in wind turbine blades. Globally, although there exists a certain gap in production volume compared to international chemical giants like Olin, we have surpassed some international enterprises in market share. Overall, our production scale places us among the top globally, with a notable reputation and market share in international markets. The Company possesses strong competitive advantages in product variety, R&D, and technical service capabilities, stable supply abilities, and brand influence, continuously providing customers with high-quality products and solutions.

B. Carbon fiber business

- (1) In 2024, the Company was the only one to apply high-weight prepregs in the wind power market. However, due to price competition in the mainland industry, our sales orders in the mainland market decreased. The recyclable prepregs are currently in the trial promotion stage and have not yet reached a certain scale of economic production. A certain foundation for recyclable prepregs in the 3C market has been established in 2024, and it is expected to achieve bulk transactions in 2025.
- (2) In the field of wind power carbon fiber pultruded sheet materials, after years of product development and market promotion, the products have entered the international customer supply chains. At the same time, it is expected that the certifications from other international wind power customers will be completed by 2025. The continuous expansion of the customer base of the carbon fiber pultruded plates will help solidify the revenue of Sunwell Carbon Fiber.

C. Green energy business

In the past two years, the Company has continued to cultivate and develop in the copper clad laminate application field, and has established confidential cooperation relationships with well-known domestic and international manufacturers, demonstrating the Company's technical strength and market potential in this field. In response to the global trend of net-zero transition in the electronics industry, several international 3C electronics brands have announced their goals to achieve zero carbon emissions in their products by 2030, and plan to complete carbon footprint verification of the downstream supply chain by 2028 and make low-carbon choices for basic raw materials and formulas by 2027 or earlier. The Company will leverage its technological leading advantages to plan ahead for key material solutions required for the green supply chain.

3. Future supply and demand of the market and its growth

A. Advanced materials business

- (1) Vinyl ester resin, with its excellent corrosion resistance, superior mechanical properties, low viscosity for easy application, and customizable molecular structure, has become a key material for composite material molding. Its application spans a wide range of industries, including chemicals, metallurgy, food and pharmaceuticals, environmental protection, power energy, petroleum, construction, transportation, electronics and electrical, aerospace, and sports equipment. With the continuous advancement of technology, the stability of vinyl ester resin in emerging application will provide strong support for its large-scale application, and its potential market space will continue to expand.
- (2) Driven by the global transition towards renewable energy and low carbon, the market for materials used in wind turbine blades has seen rapid development in recent years, with continued demand expected in the future. As wind turbine blades develop towards larger sizes and lighter weights, the related materials will also evolve towards high performance, high strength, and lightweight characteristics. Currently, companies with a certain market share in the industry possess core formulation technologies. However, continuous research and development entail higher costs, and obtaining certifications from wind turbine blade manufacturers and wind turbine blade assembly plants is a lengthy process. Newcomers face significant barriers to entry. Consequently, considering factors such as comprehensive capital investment and technological accumulation, the concentration of the wind turbine blade material industry is expected to further increase. Furthermore, fluctuations in raw material prices will impact the operational performance and risk tolerance of companies within the industry, and the launch of alternative products may alter the competitive landscape.

B. Carbon fiber business

(1) Prepreg

Currently, Sunwell Carbon Fiber is the only supplier applying high-weight prepregs in the supply chain of wind power carbon plates. With the trend toward carbon fiber batch production, industry development, and market forecasts, its future applications are expected to become even more widespread. In addition to the clean energy industry, carbon fiber is also being increasingly adopted in markets such as automotive lightweighting, sports recreation and leisure, and electronics.

(2) Rapidly curing flame-retardant Prepreg

These materials are primarily used in consumer electronics products and new energy accessories. With the trend towards lighter and thinner consumer electronics products, the demand for composite materials is gradually increasing. Consequently, there will be a high market demand for rapidly curing flame-retardant prepregs in the future.

(3) Carbon fiber pultruded sheet

Although the demand of wind power plant for carbon fiber pultrusion sheet material is same, it is expected that the annual demand for carbon fiber will exceed 30,000 tons in 2025. But as the length of the blades continues to increase, the demand for carbon fiber sheets from various wind turbine manufacturers and blade plants is gradually being released. It is expected that there will be explosive growth in 2025 to 2028. Sunwell has already laid out in advance with major international customers and the future performance is expected to see a

skyrocketing growth. Meanwhile, the demand of wind power customers in mainland China for extrusion carbon fiber boards will also increase year by year.

(4) Carbon fiber thermoplastic sheet

Modified thermoplastic epoxy resin produced carbon fiber sheet is our self-dependent research and development products. Compared with the common carbon fiber sheet made of thermoplastic resin such as PC, TPU and PP etc. in the market, its performance has mechanical advantages. Compared with the thermosetting carbon fiber composite products, it has the properties of rapid molding. Currently, bulk applications have been achieved in mobile phone cases and wearable protective gear, and the future application in 3C electronics products is expected to grow year by year.

(5) Recyclable Carbon Fiber Prepreg

The company developed EzCiclo recyclable thermosetting prepreg can be used to produce recyclable thermosetting composites. Customers can use the original equipment and process conditions for production. The components can be degraded using CleaVER technology at the end of their life cycle. The degraded resin and fiber can be reused, and it can be widely used in high-performance carbon fiber composite applications such as bicycles and sporting goods.

(6) Circular Regenerated Carbon Fiber Composite

Based on the carbon fiber produced by EzCiclo and CleaVER technology, it has low carbon emissions advantages. It can be used to produce recycled carbon fiber felt, carbon fiber mats, and thermoplastic carbon fiber plastic pellets, which are then applied to the production of carbon fiber composite components. By introducing recycled components into carbon fiber components, the carbon emissions of carbon fiber composites are effectively reduced, in line with the ESG carbon reduction trend.

C 、Green energy business

Major active ester hardener manufacturers in the industry, such as DIC Corporation, Shina, and Sichuan EM Technology, have taken a conservative approach to expansion plans over the past two years. Additionally, no similar products with low-carbon and recyclable properties have been launched so far. This market situation provides the Company with a unique competitive advantage. As the Company's products complete the customer verification process, the application in 3C electronic products is expected to grow year by year.

4. Competitive niches

A. The Company's self-owned brand and know-how:

Since its establishment, the company has aimed to establish its own brand with proprietary technology. The company's own brand (SWANCOR) products have always focused on the R&D, production, and sales of high-performance resins. With the accumulated technologies and experience over the years, brand construction, the company has formed comprehensive advantages in R&D, management, service, etc., and has obtained a certain market share and brand awareness in the industry, being one of the industry leaders.

B. Productivity construction:

Meanwhile, the company designed reasonable layout and has Taiwan, Shanghai, Tianjin, Jiangsu, Malaysia and other production bases, to achieve the integration of resources and rational economic allocation of production resources.

C. Enhancing Technological Innovation and Emphasizing Technological Upgrades:

In the trend of globalization, the company adheres to the development strategy of centering on the demand of emerging markets, and carries out comprehensive technological innovation. In terms of product technological innovation that meets customer needs, the company continuously strengthens its differentiated product competitiveness by increasing R&D investment, expands the competitive advantages of emerging market product technological innovation, and creates higher value for customers.

As of December 31, 2024, the company has accumulated 267 authorized patents. Among them, 20 authorized patents were newly obtained in 2024.

- D. Implementing various effective management mechanisms to support the Company's business operations:

Strengthening organizational design, establishing systems, implementing ISO9001, ISO14001, and ISO45001 systems, and internal auditing.

- E. Continue to set up IT systems, implement innovative culture, and establish learning organizations to enhance the Company's competitive niche.

The Company will continue to focus on the integration and establishment of the IT system, with better internal and external information collection, knowledge building and sharing, in the aim to quickly and accurately provide the best decision-making support, facing the changing internal and external environment with confidence. Meanwhile, in order to face the future challenges ahead, the Company provides opportunities for continuous learning to attract outstanding talents and to develop employee skills.

5. Favorable and unfavorable factors and responding strategies for prospects of development

A. Favorable factors

- (1) R&D and technological advantages: The Company has profound technologies, suitable R&D capabilities, mature and stable processing techniques, and its own intellectual property rights.
- (2) Advantages on integration of industry ecosystems: The Company's management team has a better market insight in advanced composite materials, green energy, and environmental protection, and is able to seize business opportunities ahead of its peers. The Company could accurately grasp market trends, and lead the market in R&D of new products.
- (3) Brand advantages: With similar standards as those of world-class companies, the products of the Company's self-owned brand (Swancor) are exported worldwide and have been recognized by customers at home and abroad due to its perfect mastery for product technology and quality, relatively low cost, and high price-performance ratio, making it a well-known brand in the composite materials industry. The Company pays great attention to system certifications and has successfully obtained several, including ISO 14067 Product Carbon Footprint Verification, ISO 50001 Energy Management System Certification, ISO 14064 Greenhouse Gas Verification, and ISO 14021 Self-Declared Environmental Claims. In addition, the Company is actively applying for carbon credits, further strengthening its leading position in the fields of green energy, environmental protection, and safety, while continuously improving its brand image.
- (4) Product line advantages: The Company focuses on the R&D and production of high performance industrial anti-corrosion and high-strength lightweight composite resins, and has a complete product line. For environment-friendly high performance anti-corrosion materials and new composite materials, the Company has expanded to lightweight, safe and environmentally friendly products based on past product and technological experiences, which have been

successfully introduced to the market. For example, safe flame retardant resin, styrene free resin, etc., to meet the changing demands of the market. The fan blade is mainly composed of resin and reinforcement. The fan resin adhesive above the megawatt level basically uses epoxy resin as the matrix, and a few manufacturers use vinyl ester resin or unsaturated polyester resin for the moment. The reinforcement material is mainly glass fiber or mixed with carbon fiber. Currently, the Company is one of the few manufacturers that can provide a full series of products including epoxy resin, vinyl ester resins, and unsaturated polyester resins, and is recognized in the industry as capable of providing standard trial production and verification, with wind turbine blade resins being used in large quantities. The main materials of wind power blades are resin and high performance fiber materials. The optimal performance of composite materials is reflected in the good combination of resin and fiber. As one of the main blade material suppliers, we fully consider the use demands of customers in the blade molding process. The developed products mainly include leaf mold resin, leaf molding infusion resin, leaf repair hand paste resin, leaf maintenance and operation resin, leaf mold adhesive, lightweight, high mold and high strength material matching prepreg resin and pultrusion resin, as well as the recyclable thermosetting epoxy resin developed to solve the problem of blade recycling, providing a complete solution for blade production. It is also one of the few resin suppliers with a complete product line in the domestic and foreign wind power industry.

In addition, the Company cooperates with Formosa Plastics, the world's leading carbon fiber manufacturer, with timely and stable carbon yarn supply and technical support, and can provide high-value composite products with different carbon fibers according to customer demand.

- (5) Advantages on global expansion and services: The Company has set up plants in Taiwan, Shanghai, Tianjin, Jiangsu and Malaysia, with products exported to more than 30 countries and regions. The Company's global service network enables effective integration and services for multinational groups in order to enhance global customer satisfaction. In addition, the Company's production plants in China can provide localized services to international manufacturers and improve the customers' global logistics.
- (6) Product quality advantages: The Company's strong technological R&D skills, standard laboratories, stringent product quality control system, stable performance and excellent quality of products such as vinyl ester resins and wind turbine blade resins, are well recognized by domestic and international customers. The Company has established a quality control and quality assurance system to comply with international standards, comprehensive internal control and management systems to ensure product quality, with comprehensive monitoring and quality control of its products throughout the whole process, including procurement of raw materials, production, finished goods receipt, delivery, and after-sales services. Product quality control is implemented thoroughly in the Company's operating system, in order to ensure and strengthen product quality to meet the needs of customers and the market. In addition, the Company will accelerate the automation transformation of intelligent production line, reduce labor costs, strengthen production process control, cost control and quality management, fully release investment capacity, focus on developing new products and accurately connect with the market.
- (7) Advanced marketing and service model

To implement a new phase of brand development planning, the Company will

upgrade its marketing visual system, improve brand image, expand the scale of marketing and promotion, and optimize the sales network to comprehensively boosting the overall competitiveness of the "Swancor" brand. Through various new promotion media platforms, the Company will not only continue to promote its products and share brand information, but will also actively participate in international professional exhibitions to increase brand awareness, and deepen the effect of brand marketing. The Company is committed to customer satisfaction, gaining in-depth insight into customers' technological development trends and providing timely and efficient services to strengthen relationships with core customers.

In addition, the Company will enhance interactions with major customers, design institutes, blade manufacturers, turbine OEMs, and wind farm developers, closely following industry development directions to ensure that its products consistently meet the needs of downstream users, and offer comprehensive solutions. By leading mainstream market technologies with cutting-edge innovation, the Company further expands into new application fields, and increases market share. At the same time, the Company is committed to deepening customer relationships and establishing long-term and mutually trusted partnerships, laying a solid foundation for sustainable development.

B. Unfavorable factors and countermeasures

(1) Core competitiveness risks

① Product development risk due to rapid product iteration

As downstream products continue to raise technical requirements, the Company must continuously track and study customer needs and develop corresponding new products. If significant technological changes occur that lead customers to reduce or limit their demand for the Company's products, it could impact the Company's product and technology development. The Company faces risks related to technology and product development. If it fails to accurately grasp the development trends of industry technology, makes errors in decisions regarding the direction or extent of technological development, or is unable to promptly apply new technologies to product development and achieve industrialization, it could negatively impact the Company's reputation and profitability.

② Risk of core technology leakage

The Company's core technologies are crucial for controlling production costs, improving product performance and quality, and maintaining competitiveness in the market. If these core technologies are leaked due to poor safeguarding by individuals, work-related oversights, or external theft, it could weaken the Company's competitiveness and adversely affect its business development and operating performance.

③ Risk of key talent loss

The loss of core technical personnel and talents essential for the Company's development is critical to sustaining technological innovation and providing customer technical support services. If the Company fails to retain and attract top talents, or if talented employees join competitors or establish competing companies, it could lead to the loss of customers and technology, thereby adversely affecting the Company's future development prospects.

(2) Operating risk

- a. Scale difference between the Company and its foreign competitors: There are differences between the Company and its foreign competitors in terms of capital,

business scale, and experience in international market development. The Company's global brand awareness is limited, and there is still room to gain market share. With that, it continues to formulate sales strategies in the hope to expand its market share.

- b. Drastic market competition: With the continuous expansion of the downstream market demand and the continuous technological progress of the industry itself, the composite resin is faced with a good opportunity for the development of the industry. The expansion of production capacity of existing market participants and the entry of new investors may intensify the market competition.

The prospects of wind power blade resin industry development are good, the market size continues to expand, new competitors may follow, and the industry competition is increasingly drastic. Although the company continues to increase investment in research and development, has rich industry experience and stable product quality in production, sales, customer loyalty and stability is high, with the industry competition is increasingly drastic, the company is facing increasing market competition, and there is a risk that decline in product prices lead to a drop in profits.

- c. The price of raw materials is affected by the market: The company's main raw materials are affected by changes in international crude oil price, market supply and demand, environmental protection and safety production policies, and will fluctuate in different degrees. The cost of raw materials accounts for a high proportion of the company's product cost. In the case of significant fluctuations in raw material prices, if the company cannot timely transfer the risk of raw material price fluctuations to downstream customers or cannot effectively formulate response measures and maintain a certain core competitiveness, it may affect the company's main business performance and profitability.

For the supply of carbon fibers, the supplier may cause price fluctuations. Hence, having good cooperative relationship with various carbon fiber suppliers and suppliers in China is critical for ensuring a stable source of raw materials. In 2024, the carbon fiber industry is still in a state of oversupply. In addition to accelerating the certification of carbon fiber produced in mainland China, we should seize international customer orders with the advantage of circular regeneration and seize the international market.

(2) Financial risk

Under the layout of opening up international markets, promoting the layout of a series of circular economy products, and investing in new targets, the stability of operating funds, customer credit and accounts receivable management, and the impact of exchange rate fluctuations on profits have become the focus of financial management. The enhancement of self-raised operating funds through subsidiary companies will strengthen customer credit management, accounts receivable insurance, operation of derivative financial products, and effective utilization of idle assets, thereby reducing the overall financial exposure probability of the company.

(3) Environmental protection policy risk

In recent years, in response to climate variation, the government has proposed the goal of "Net Zero Emissions in 2050". Energy transformation has become an important subject for enterprises. Reducing the use of petrochemical fuels and electricity will increase the company's operating costs, potentially adversely affecting the company's production and operational performance. The company

also makes great efforts to achieve this goal. In addition to using low-carbon energy to replace fossil fuels, energy conservation and emission reduction to offset its own greenhouse gas emissions and achieve zero carbon emission, it also develops new products with technologies of carbon reduction and circular economy, and invests resources in CCUS (carbon capture, utilization and storage) and low-carbon recycling technology of carbon fiber composites, and committed to achieve carbon neutrality.

(II) Major uses and production process of the primary products

1. Key Applications of Main Products

A. Advanced materials business:

Product Name	Important use
Anti-corrosion resin	The main products include vinyl ester resins, flake luting series, and specialty unsaturated polyester resins. These products possess excellent mechanical properties, chemical resistance, ease of processing, high specific strength, and fatigue resistance. As a result, they are widely used in industries such as electronics and electrical, new energy, semiconductors, safety materials for rail transportation, power, petrochemical, metallurgy, and pollution control engineering.
Wind blade resin	The main products include perfusion resins, hand lay-up resin, molding resin, adhesives, pultruded resins, etc. These products feature excellent mechanical properties, suitable viscosity, good fiber wetting properties, and curing performance. The Company's wind turbine blade materials are mainly used in making the casing, beams, webs and blade molds of wind power turbine blade, which can meet the current requirements for the molding technique of MW wind turbine blade.
New-type Composite Materials	The main materials include resin series for prepreps, pultrusion-type epoxy resin series, flame-retardant resin series, free radical modified epoxy resin series, molding vinyl ester resins, low shrinkage agents, etc. These materials are primarily applied in the fields of energy conservation and environmental protection, as well as new energy fields such as sporting goods, automobiles, aerospace, ships, electronic products, rail transportation, and construction.
Circular Economy Materials	The materials are divided into recyclable thermosetting resin series and low-carbon series. Recyclable thermosetting resin series: These resins can be widely applied across almost the entire composite materials industry, including the marine and automotive industries, wind turbine blades, sports and leisure, rail transportation, etc. They are already in mass production and are used in various applications, including wind turbine blades, ship sailing, and electrical insulation components. Low-carbon series: These materials are recycled from composite materials and then applied in the low-carbon materials field, lowering carbon footprints.

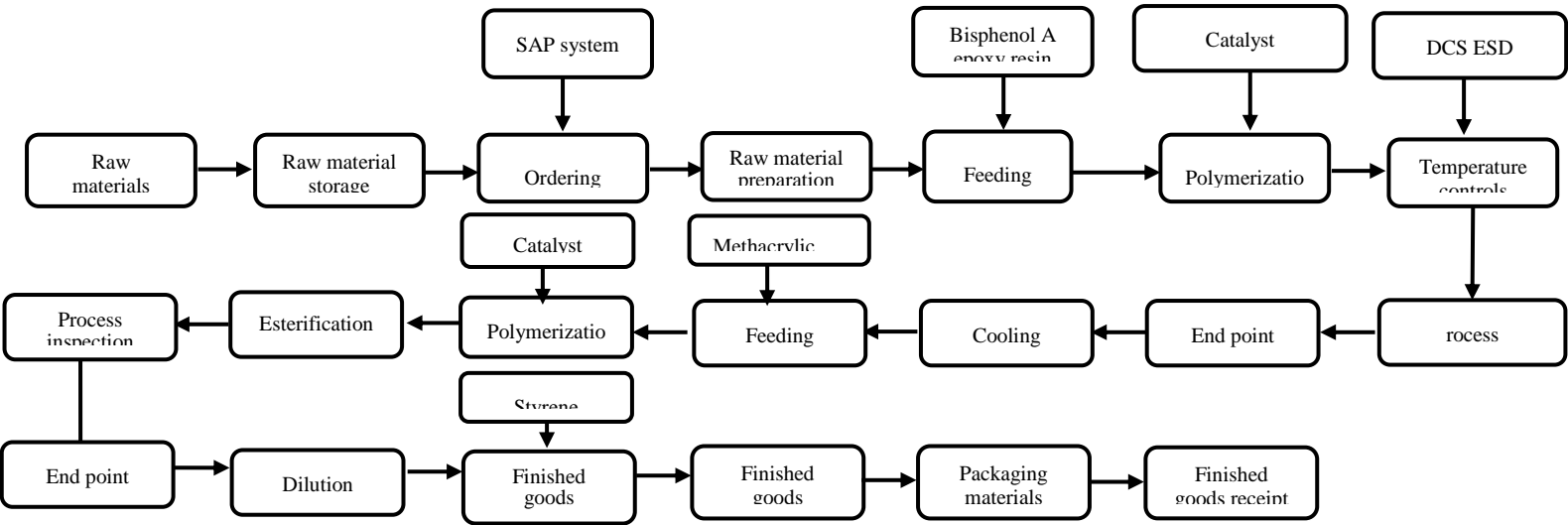
B. Carbon fiber business:

Product Category	Important uses of main products
Medium-temperature curing high-weight prepregs	For loading, transportation, and storage functions of LCD panels during the production process
High TG high temperature resistant prepreg	Wheeling, machinery and equipment accessories
Fast-curing Non-flammable prepreg	Sports equipment, Rail traffic, car battery casing, notebook casing
Carbon fiber pultruded sheet	Wind power blade girder
Carbon fiber thermoplastic sheet	Automotive industry, footwear, protective gears, 3C electronic products, etc.
Recycled prepreg cloth	Wheeling, machinery and equipment accessories, automotive industry, footwear, protective gears, 3C electronic products, etc.

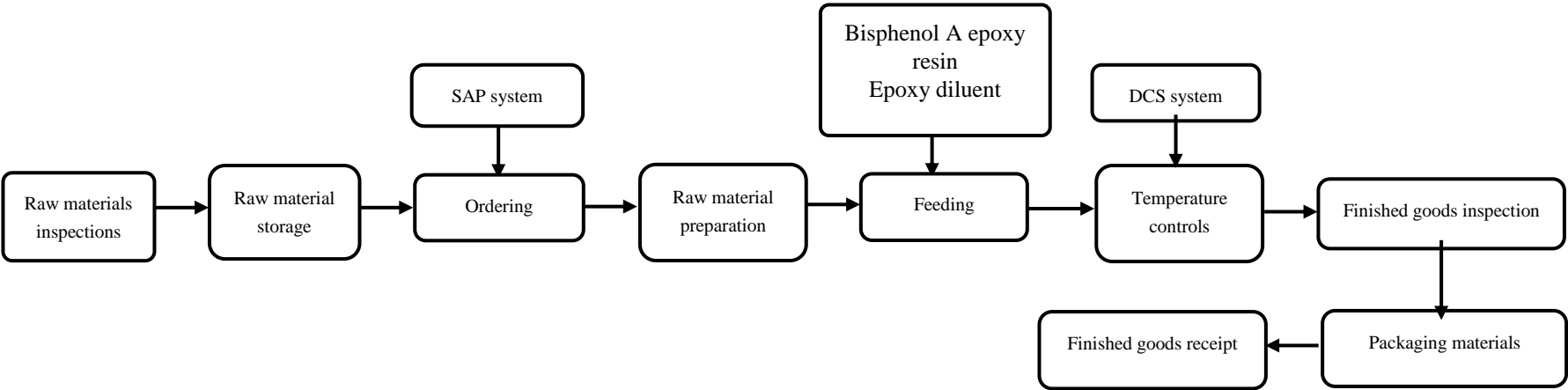
C 、Green energy business:

Product Category	Important uses of main products
Recycled Epoxy Hardener	Copper Clad Laminate (CCL)

2. Production process of main products:
- A. Advanced materials business
- (1) Process of environmentally friendly high-performance anti-corrosion materials

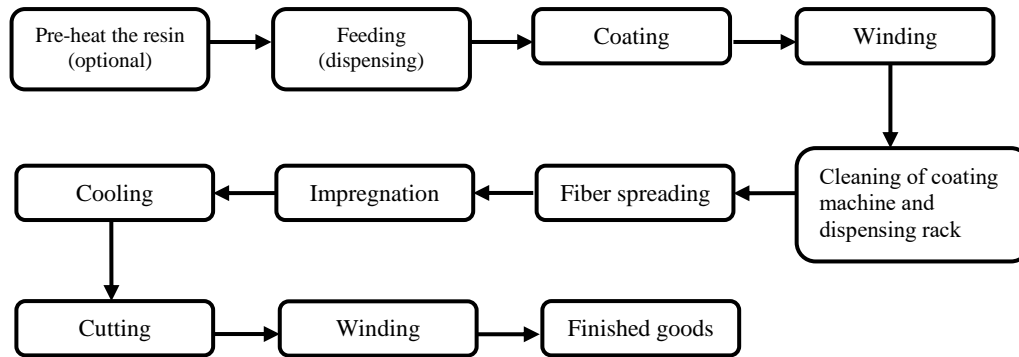


(2)The process of wind turbine blade materials

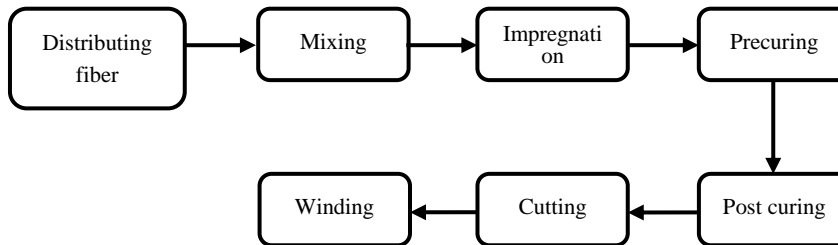


B. Carbon fiber composite materials

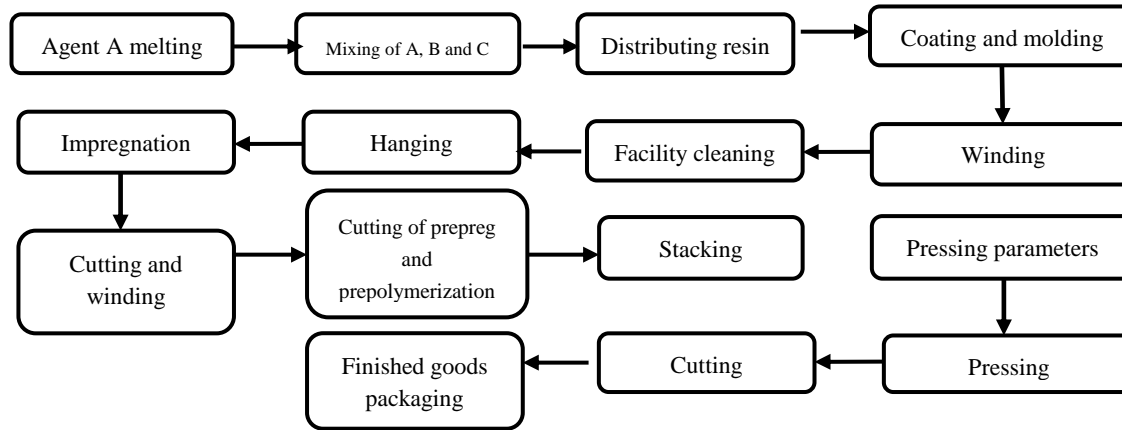
(1) Production process of prepreg



(2) Production process of extrusion carbon fiber board

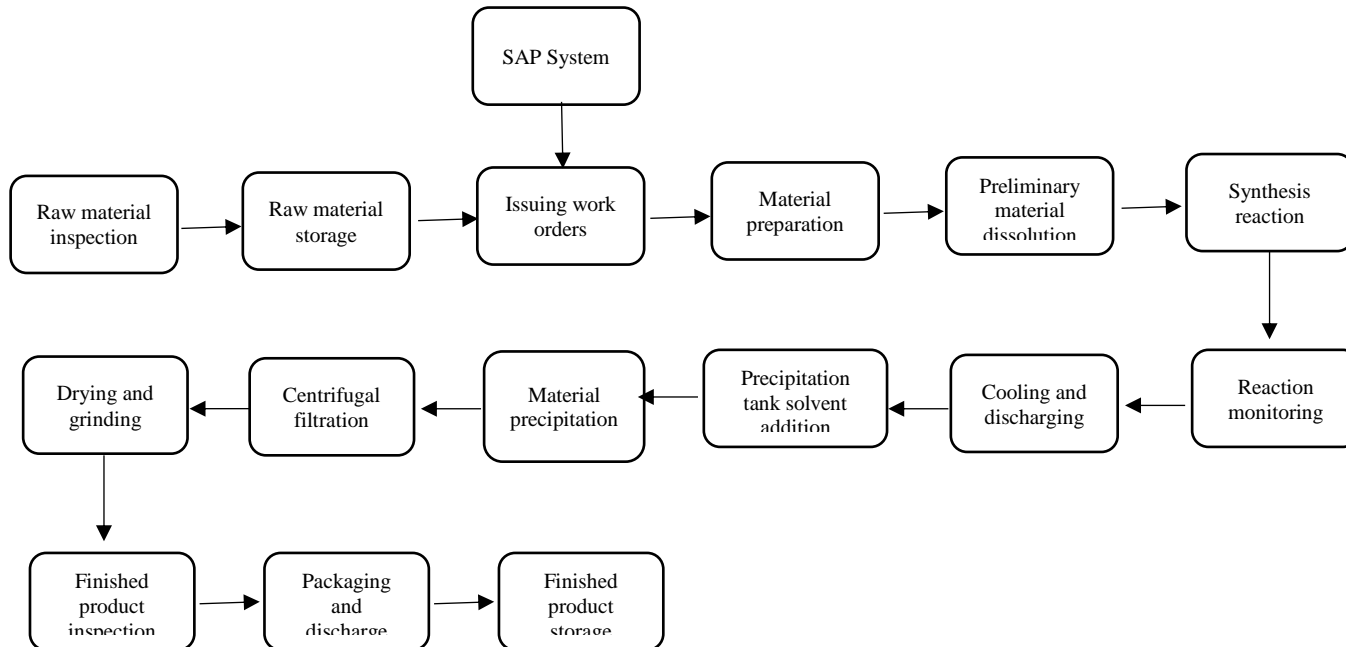


(3) Production process of thermoplastic sheets



C · Green energy business

Production process of recycled epoxy hardener



3. Supply Status of Main Materials

Name of raw materials	Main suppliers (Note)	Supply Status
Epoxy resin	Suppliers A, C, D, E, F, G and H	Excellent
Styrene	Suppliers B	Excellent
Hardener	Suppliers I and J	Excellent
Carbon Fiber	Supplier K, L, and M	Excellent

Note: The company name is not disclosed in compliance with the Non-disclosure Agreement (NDA).

4. List of customers accounting for 10 percent or more of the Company's total sales in either of the two most recent years:

(1) Information of major suppliers in the 2 most recent years

Unit: NT\$ thousands

Item	2023				2024				2025 as of the previous quarter			
	Name	Amount	Proportion to net purchase for the entire year (%)	Relationship with the issuer	Name	Amount	Proportion to net purchase for the entire year (%)	Relationship with the issuer	Name	Amount	Proportion to net purchase for the entire year (%)	Relationship with the issuer
1	(Note 1)				Supplier I	627,725	10.99	–	(Note 2)			
2					Others	5,085,099	89.01					
					Net purchase	5,712,824	100.00					

Note 1: In fiscal year 2023, no suppliers accounted for more than ten percent of the total purchases.

Note 2: As of the publication date of the annual report, there is no financial data for the 1st quarter of 2025 that has been reviewed by a CPA.

Reasons for changes in purchase amount and ratio:

This year, due to an increase in sales and adjustments in procurement policies, the amount and proportion of supplier purchases have increased.

(2) Information of major sales customers in the most recent two years:

Unit: NT\$ thousands

Item	2023				2024				2025 as of the previous quarter			
	Name	Amount	Proportion to net sales for the entire year (%)	Relationship with the issuer	Name	Amount	Proportion to net sales for the entire year (%)	Relationship with the issuer	Name	Amount	Proportion to net sales for the entire year (%)	Relationship with the issuer
1	(Note 1)				Customer I	815,251	10.36	–	(Note 2)			
2					Others	7,056,908	89.64					
					Net sales	7,872,159	100.00					

Note 1: In fiscal year 2023, no customers accounted for more than ten percent of the total sales.

Note 2: As of the publication date of the annual report, there is no financial data for the 1st quarter of 2025 that has been reviewed by a CPA.

Reasons for changes in sales amount and ratio:

There has been an increase in customer demands for environmentally friendly and green energy materials, leading to an increase in sales amount and proportion.

III. Number of employees in the Most Recent Two Years

Unit: Persons; %

Year		2023	2024	Ended on April 8, 2025
No. of employees	Managerial officer	15	16	15
	Indirect employees	459	481	482
	Direct employees	244	240	210
	Total	718	737	707
Average age		37.62	37.57	37.73
Average year of services		5.28	5.56	5.63
Academic distribution ratio	PhD	0.7	0.68	0.71
	Master	10.45	10.85	10.89
	University	58.22	53.46	54.60
	High school	23.6	29.72	28.43
	Below high school	6.9	5.29	5.37

IV. Environmental Protection Expenditures

Any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

- (1) This year's environmental protection expenditure was 20.079 million, used to strengthen the maintenance, upkeep, renewal, and disposal of pollution-related equipment to reduce environmental impact.
- (2) Subsidiary Swancor Highpolymer was fined because the waste production exceeded the usage amount authorized by the competent authorities. The relevant content is as follows.

Disposition Dates	November 4, 2024
Disposition Reference Numbers	Ref. No. Tou-Huan-Chu-Fei-Zi-1130028810
Articles of Law Violated	Article 24, Paragraph 2 of the Air Pollution Control Act
Violation Details	The Resource Circulation Administration of the Ministry of Environment conducted a crosscheck on the reporting flow of industrial waste and identified discrepancies in the reported data.
Content of the Dispositions	1. A fine of NT\$72,000. 2. Attend a 2-hour environmental seminar.
Measures Taken	A fine was paid on November 7, 2024, and a revised waste management plan was submitted to increase the maximum amount of waste generated. The revision was completed on November 27, 2024.

V. Labor Relations

1. The Company's employee welfare measures, continuing education, training, retirement system and implementation thereof, along with agreements between employees and the employer, and the status of various employees' rights and interests:

The Company will commit to optimizing employee welfare in accordance with relevant provisions of the Labor Standards Act. Employee welfare policies, retirement systems implementation status, the agreement between employees and employer, and measures for maintenance of employees' rights and interests:

- (1) Employee benefit plans and the status of their implementation:

The Company offers comprehensive employee benefits, including a flexible work schedule, long-service employee rewards, annual outstanding employee awards, year-end bonuses, regular physical check-ups, travel subsidies, daily meal allowances, team dinner subsidies, and volunteer leave. In addition, the Company also has amenities such as sparkling water makers, coffee machines, vending machines, an employee restaurant, parking lots, EV charging stations, and social spaces, including a cultural gallery, library, gym, and basketball/badminton courts. Other employee welfare activities are planned and organized by the Employee Welfare Committee, including domestic and overseas trips, hiking events, year-end/spring banquets with prize draws, and family day activities, to support employees' physical and mental well-being and strengthen relationships with colleagues. The Company also provides birthday cash gifts, holiday bonuses (for three major festivals), and allowances for childbirth, new home celebrations, weddings, funerals, and other significant life events.

- (2) In order to improve the quality of talents, relevant education and training courses are arranged according to the work needs of each department every year:

Employees shall participate in on-the-job training outside the factory or internal education and training by professional lecturers of each department according to the plan.

In 2024, the education and training contents include management functions, professional training of various functions, R&D technology, financial audit, information security, environmental safety and health, new employee training, corporate culture advocacy, etc., with an average of 1.12 hours of training per person per year. In 2024, the operation of the Swancor Low-Carbon Academy was expanded to enhance employees' learning and development in sustainability, carbon management, and new technologies.

- (3) For cultivation industrial talents and successors in key positions, promote individual development programs:

For high-potential key talents, a dual-mentor system, consisting of professional mentors and internal coaches, is implemented to assist employees in formulating a three-year personal development plan. Regular quarterly interviews and annual performance management are conducted to track their development progress.

The Company's succession plan for key management positions focuses on developing a talent pool to identify employees with high potential aligned with the Company's strategic goals. Potential successors are reviewed and selected from each business group, with a seven-year development road map established for each individual. The road map includes personalized development plans, participation in external industry events and internship programs, and support from practical mentors and cross-business group mentors. Regular quarterly interviews and biannual performance evaluations are conducted to track the development of employees, ensuring they are equipped with the necessary professional competencies for the next six years. Each quarter, mid- to senior-level managers participate in sessions that enhance their management capabilities through external industry insights, the latest technological knowledge, and benchmarking case

studies from leading companies, helping them stay updated with current management thinking and evolving trends.

In conjunction with a comprehensive training system and promotion channels, the Company's succession plan for key management positions began at the end of 2019. The first phase of the employee development program involved 24 participants, while the second phase started at the end of 2021, with 27 participants selected. It is estimated that the Company will cultivate over 20 individuals capable of holding managerial positions at the department level or above, and over 20 individuals with the ability and willingness to take on senior management roles, to meet future succession needs for key management positions. As of December 31, 2024, a total of 6 employees have been promoted to department-level managers, and 15 employees have been promoted to division-level managers. Additionally, in 2024, the program incorporated an AI workshop to align with the Group's three-year artificial intelligence road map.

The Company conducts employee performance evaluations every six months. Through regular observations and performance evaluation meetings, management understands the gaps in employees' managerial competencies and their personal career aspirations in management. The results of these evaluations and meetings serve as key references for the succession plan. Successors for key management positions are expected not only to possess core competencies such as integrity, innovation, customer orientation, and professional technical expertise, but also to share the same values with the Company, so as to shape the spirit and culture of "Swancor people" from top to bottom.

- (4) Formulate the "Work Rules" to establish the Code of Conduct for employee ethics, as well as measures for employee safety and workplace environmental protection:

The content clearly stipulates employee rights and obligations. In addition, the Safety and Health Work Rules was prepared to disclose the protective measures for the working environment and safety of employees. The aforementioned Work Rules and Safety and Health Work Rules were sent to employees and published on the Company's official website.

Through the ISO 45001 Occupational Health and Safety Management System (valid from January 20, 2025 to January 19, 2028), the Company creates a safe and healthy working environment and achieves systematic management. To foster a corporate safety culture, new employees will receive occupational health and safety training upon onboarding, and training courses will be arranged according to their job responsibilities.

- (5) Employee pension system and implementation status:

Since July 1, 2005, the employee pension system is implemented in accordance with the Labor Pension Act. Employees choosing to be covered by the new pension system, or has been employed after the adoption of the new pension system with the defined contribution plan, the Company shall appropriate labor retirement reserve funds for each month at 6% of monthly salary, and deposited in the labor retirement reserve fund account of the Bureau of Labor Insurance.

- (6) Negotiation between labor and management and employee equity maintenance implementation status:

The Company formulates various provisions in accordance with the Labor Standards Act to protect the rights and interests of employees, and attaches importance to communication and coordination with employees, and promotes friendly workplace corporate culture. Employees and supervisors, employees and the Company have immediate and diversified care and communication channels. Therefore, the labor and employer relationship is harmonious, during the year 2024, there were two labor disputes, both of which have been resolved with fines paid, and internal operational guidelines have

been adjusted accordingly to ensure compliance with regulations.

(7) Implementation of workplace diversity and gender equality policies:

Employees are valuable assets to Swancor; therefore, we value the rights and interests of each employee. We arrange job positions based on suitability and talent, and strive to create a diverse, equal, and inclusive work system. We provide diversity and inclusiveness, and equal opportunities, ensuring that all employees are treated equally, regardless of gender, sexual orientation, race, age, marital status, language, thoughts, religion, political affiliation, place of origin, birthplace, physical appearance, or disabilities. Differential treatment or any form of discrimination is not allowed. We implement fairness in employment, compensation and benefits, training, performance evaluations, and promotion opportunities, and provide an effective and appropriate grievance mechanism. In terms of actual implementation, female employees account for 38% of the total workforce, and female managers account for 38% of all managerial positions in the group. Regarding diversity and inclusiveness, 10% of the employees are foreign nationals, including 20 Vietnamese, 15 Indonesians, and 1 Malaysian.

The Company conducts human rights due diligence processes to identify potential human rights risks. Through mitigation or remedial measures, the Company reduces human rights risks and implements human rights management. The Company has established multiple grievance procedures, including those for sexual harassment. If any employee or business partner is aware of inappropriate behavior, they can file a complaint either anonymously or by name, stating the facts and providing relevant evidence. Upon receiving the complaint, the Company will keep the identity of the complainant and the details of the complaint confidential, and will follow the established procedures to investigate, address the concerns of the complainant, and take necessary corrective actions. At the same time, the Company actively implements human rights management practices by providing education and training of human rights for all employees to ensure that all stakeholders are familiar with the Company's human rights policies and regulations, and work together to safeguard the human rights values within the industry. The education and training include organizing seminars on safety and health, anti-workplace violence, sexual harassment, and other topics related to human rights, as well as providing training for new employees upon onboarding.

Management measures and implementation:

- In accordance with the Labor Standards Act and other relevant laws and regulations, the Company values the balance among employees' health, work, family, and leisure life. At the same time, the Company implements work-hour management, prohibits the use of child labor, and bans all forms of forced labor and discrimination
- The Company has established a gender-equal workplace by implementing systems such as unpaid parental leave, family care leave, menstrual leave, maternity leave, paternity check-up leave, and paternity leave, and also provides benefits such as nursing rooms and parking spaces for pregnant employees.
- The Company values employee health by offering free physical check-ups for employees, non-periodically publishes health awareness articles, and organizes sports activities to enhance employees' health management awareness.
- The Company implements various epidemic prevention measures, including flexible work-from-home arrangements, staggered shifts, paid leave for vaccination, and other plans to ensure that employees can feel safe both at work and in their personal lives.
- In accordance with the Corporate Social Responsibility Best Practice Principles, the Company has established a human rights policy to assess and review the impact of its operations and internal management on human rights, with corresponding procedures in place for handling related issues.

- Every year, based on hazard identification and risk assessment, as well as regulatory identification and assessment, the Company develops an annual safety and health training plan and supervises its implementation to enhance employees' safety awareness and strengthen their safety skills and capabilities.
 - The company values employee feedback and regularly holds "Hello Robert" employee forums, conducts instant response activities on employee satisfaction at the forums, and regularly holds labor-management meetings. The Company also has an employee mailbox to maintain open communication channels and listen to employee opinions at any time.
 - In compliance with the requirements of the "Personal Data Protection Act" and to safeguard the rights of individuals, the Company implements personal data protection and management measures. Upon onboarding, new employees are clearly informed about the purpose and methods of collecting, processing, and using their personal data. Employees are also made aware of their rights, which they can exercise in written form, to inquire or request access, request copies, request supplementation or correction, request the cessation of collection, processing, or use, and request deletion of their personal data.
 - In 2024, the Company conducted a total of 105 sessions of education and training related to human rights topics, including legal awareness, occupational safety and health, workplace health management, anti-bullying, and sexual harassment prevention, with a total of 519 participants attended and training time of approximately 1,340 hours.
2. Any Losses Suffered by the Company in the Most Recent Fiscal Year and up to the Annual Report Publication Date due to Labor Disputes (Including Any Violations of the Labor Standards Act Found In Labor Inspection, Specifying the Disposition Dates, Disposition Reference Numbers, the Articles of Law Violated, the Substance of the Legal Violations, and the Content of the Dispositions), and Disclosing an Estimate of Possible Expenses that could be Incurred Currently and in the Future and Measures Being or to be Taken. If a Reasonable Estimate Cannot be Made, an Explanation of the Facts of Why It Cannot be Made Shall be Provided:

Subject of the penalty	Swancor Highpolymer Co., Ltd.,	Swancor Highpolymer Co., Ltd.,
Disposition Dates	Deember 4, 2024	Deember 4, 2024
Disposition Reference Numbers	Ref. No. Fu-She-Lao-Zi-Zi-1130298479	Ref. No. Fu-She-Lao-Zi-Zi-1130298478
Articles of Law Violated	Paragraph 1, Article 36 of the Labor Standards Act	Paragraph 2, Article 32 of the Labor Standards Act
Violation Details	No day off within seven days as a regular leave.	Extended working hours beyond legal regulations
Content of the Dispositions	A fine of NT\$50,000.	A fine of NT\$50,000.
Measures Taken	The scheduling work model has been adjusted, and this will help prevent such issues from occurring in the future.	The overtime application process has been adjusted, and this will help prevent such issues from occurring in the future.

3. Has the Company stipulated the code of conduct or ethical guidelines for employees: The company has established a code of ethical conduct to regulate the acts and morality of all subordinate staff and carries out regular training for all colleagues every year.

VI. Safety Management on Information and Communication

- (I) State the safety risk management structure, safety policies on information and communication, specific management plans and resources invested in the safety management of information and communication:

Ensure the information security of the Company, maintain the confidentiality, integrity and availability of the Company's information, so as to meet the expectations of the Company's customers, manufacturers and investors, plan the information security risk management framework for management on circular processes, and formulate information security policies. The information personnel shall implement the corresponding objectives for controlling based on the measures of information security.

I. Information Security Risk Management Framework

1. The information security authority and responsibility function of the Company is the Information Security Room, which set one information director and several professional information personnel, who are responsible for formulating the internal information security policies, planning and implementing the information security operation and the promotion and implementation of the information security policies.
2. The Audit Office of the Company is the supervision function for supervising information security. The Audit Office set an audit supervisor and a full-time audit agent, to supervise the implementation of internal information security. If any defect is found, the audit office shall require the inspected functions to put forward relevant improvement plans and specific actions, and regularly and continuously track the improvement results to reduce the internal information security risks.
3. The Information Security Room of the Company adopts the management mode on circular processes to ensure the achievement and continuous improvement of the reliability targets.
4. All relevant functions in the circular processes of information security risk management shall coordinate with the implementation requirements to hold meetings, review the implementation effect of the processes. The Audit Office shall assist the supervising the performing function to actively cooperate, to ensure the implementation of information security management work.
5. The Information Security Room shall regularly evaluate the annual information performance, and shall issue a report to the Audit Office to state the correction and reach a consensus make amendment, on the items found to be improved during the implementation of the information security policy.

II. Information Security Policy

Our information security policy includes the following four aspects:

- 1.Specify the Rules: formulate the information security management rules of the Company and standardize the personnel operation behaviors.
- 2.Hardware Construction: establish and improve information security equipment, and implement information security management.
- 3.Personnel Education: inform and notify regularly or when major information security incidents occur, so as to promote the information security awareness of all colleagues.
- 4.Policy Reviewing: promote continuous improvement of information security, and ensure sustainable operation of the enterprises.

III. Measures for Information Security Management

The Company regularly examines the internal information security specifications, analyzes the internal risk levels according to the asset value, vulnerability, threats and impacts, and formulates security enhancement programs based on the results of risk assessment, improves the overall information security environment, to ensure the continuous operation capability of the Company.

The information risk management procedures of the Company are as follows:

Before occurrence: conduct inspection independently and regularly, and proactively prevent information security accidents, from

various aspects of the procedures and technologies

- a) Anti-intrusion: Actively defend against attacks from internal and external networks and damages caused by intrusion into information system.
- b) Prevention of Leakages: Actively prevent the company's confidential information and business secrets from being leaked out and affect the company's sustainable operation.
- c) Prevention of Accidents: proactively prevent production losses caused by environmental factors (faults/power trips/viruses/equipment losses).

When Accidents Occur: Control damages, and Emergency Response

- a) Improvement Mechanism: establish an effective disaster response mechanism, to quickly control the damages.
- b) Implement the Drills: use the drilling experience, to recover to normal in the shortest time and maintain the continuous operation of the enterprises.

After occurrence: trace and include into prevention

- a) Avoiding the occurrence of problems: refers to accessing the system records and tracking the causes of problems, and formulating countermeasures into new preventive measures.
- b) Re-strengthening of verification methods: introduce external consultant / weakness detection teams, check blind spots regularly to improve the reliability of internal control mechanism.

IV. Implementation and advocacy of information security in 2024

- Conduct quarterly social exercise tests and provide cybersecurity awareness training exams for non-compliant personnel to enhance employee vigilance and awareness of information security.
- Conduct biannual cybersecurity education training, with non-compliant personnel publicly announced and reinforced advocacy.
- Implement cybersecurity vulnerability scanning and penetration testing to identify and promptly repair internal information security vulnerabilities.
- Continue to use SOC real-time monitoring and alert services to ensure stable real-time defense capabilities. Regularly review monitoring rules and alert settings to improve the accuracy of threat detection.
- Continue to use the SOC+SIEM 24/7 information security protection and monitoring service to maintain efficient threat analysis and alert capabilities. Regularly update the rule base and strategies to strengthen the correlation analysis of attack behavior.
- Continue to deploy and update SSL certificates for internal websites to continuously improve the security of system data transmission.
- Continue to use remote backup mechanisms and regularly test backup restoration and disaster recovery plans to ensure data availability.
- Maintain the operation of authorized software control software, conduct regular reviews and checks to ensure compliance with software usage policies °
- Continue to execute and optimize according to the ISO 27001 (certificate valid from February 22, 2024 to February 21, 2027) information security management system, and conduct regular internal and external audits to maintain compliance.

(II) During the latest year and as of the issuance date of the Annual Report, the losses, possible impacts and corresponding measures suffered from some major information and communication security incidents, if cannot be reasonably estimated, to which the following facts shall be stated: None

VII. Important Agreements: None

Chapter 5. Financial Position and the Review and Analysis of Financial Performance and Risk

I. Financial Status

Unit: NT\$ thousands

Item \ Year	2023	2024	Difference	
			Amount	%
Current assets	8,641,496	8,647,958	6,462	0%
Property, plant and equipment	3,852,977	4,155,925	302,948	8%
Intangible assets	47,530	50,223	2,693	6%
Other assets	1,731,068	1,920,264	189,196	11%
Total asset	14,273,071	14,774,370	501,299	4%
Current liabilities	5,051,932	4,430,618	(621,314)	(12%)
Non-current liabilities	555,738	868,087	312,349	56%
Total liabilities	5,607,670	5,298,705	(308,965)	(6%)
Equity attributable to owners of parent	7,360,767	8,309,432	948,665	13%
Ordinary Shares	985,601	1,103,445	117,844	12%
Capital surplus	3,570,421	4,529,989	959,568	27%
Retained earnings	3,307,547	3,006,603	(300,944)	(9%)
Other equity	(455,501)	(265,941)	189,560	(42%)
Treasury shares	(47,301)	(64,664)	(17,363)	37%
Non-controlling interests	1,304,634	1,166,233	(138,401)	(11%)
Total equity	8,665,401	9,475,665	810,264	9%

Reasons for changes in the two periods:

1. Increase in non-current liabilities from the previous year, mainly due to the reclassification of convertible corporate bonds issued by the Company to non-current liabilities.
2. Increase in additional paid-in capital from the previous year, mainly due to the conversion of convertible bonds.
3. Increase in other equity from the previous year, mainly due to the increase in exchange differences resulting from the translation of financial statements of foreign operating entities due to exchange rate fluctuations.
4. Increase in treasury stock from the previous year, mainly for the purpose of maintaining the Company's credit and protecting shareholder interests through the buyback of treasury stock.

Note: The financial information above has been audited by CPAs.

II. Financial Performance

(I) Analysis of financial performance for the most recent two fiscal years (consolidated financial statements)

Unit: NT\$ thousands

Item \ Year	2023	2024	Difference	
			Amount	%
Operating revenue	7,294,813	7,872,159	577,346	8%
Gross profit from operation	1,334,505	1,769,468	434,963	33%
Net operating profit (loss)	230,108	395,741	165,633	72%
Non-operating income and expenses	1,217,999	105,729	(1,112,270)	(91%)
Profit before income tax	1,448,107	501,470	(946,637)	(65%)
Net income from continuing operations	1,281,998	371,302	(910,696)	(71%)
Profit	1,281,998	371,302	(910,696)	(71%)
Other comprehensive income, net	(93,951)	243,934	337,885	(360%)
Total comprehensive income	1,188,047	615,236	(572,811)	(48%)
Profit attributable to Owners of parent	1,256,499	284,089	(972,410)	(77%)
Net income attributable to non-controlling interests	25,499	87,213	61,714	242%
Comprehensive income attributable to owners of the parent	1,186,181	473,649	(712,532)	(60%)
Comprehensive income attributable to non-controlling interests	1,866	141,587	139,721	7488%
Earnings per share	12.88	2.71	(10.17)	(79%)

Reasons for changes in the two periods:

1. Increase in gross profit from the previous year, mainly due to a decrease in the costs of raw materials.
2. Increase in operating profit or loss from the previous year, mainly due to a decrease in product costs and increase in transportation costs.
3. The non-operating income and expenses decreased compared to the previous year, mainly because the financial asset valuation gains from the disposal of equity interests in Formosa International and Synera Renewable Energy were recognized for the previous year, but there were no such transactions this year.
4. Increase in other comprehensive income from the previous year, mainly due to the increase in exchange differences resulting from the translation of financial statements of foreign operating entities from the previous year.
5. Net profit before tax, net profit from continuing operations, net profit for the period, net profit attributable to the owners of the parent company, total comprehensive income attributable to the owners of the parent company, and earnings per share increased compared to the previous year, mainly due to the combined impacts of the reasons mentioned above.

Note: The amounts in the two years' reports have been audited and certified by the CPA.

(II) Projected sales volume in the following year and its basis:

The Company sales volume was determined based on the market demand, development trend, the customers' operating status and the Company's current order status, as well as taking into consideration the Company's production capacity. The Company reviews its business plan on a quarterly basis in face of uncertainties in the global economy.

III. Cash Flow

Unit: NT\$ thousands

Initial cash balance	Net cash flow resulting from operating activities for the entire year Net Cash	Net cash flow resulting from investing activities for the entire year	Net cash flow resulting from financing activities for the entire year	Sum of cash surplus (Including exchange rate impact)
3,065,552	166,552	(651,976)	(546,589)	2,060,652

(I) Analysis of the changes in annual cash flow for the latest fiscal year

1. Operating activities : Mainly due to net profit before tax adjusted for depreciation, amortization, and changes in working capital.
2. Investing activities : Mainly due to changes in capital expenditures and financial assets.
3. Financing activities : Mainly due to the distribution of cash dividends and changes in borrowings.

(II) Plan for improving insufficient liquidity: None

(III) Cash liquidity analysis for the coming fiscal year:

The Company will carefully plan and manage its financing strategy based on the overall cash flow from operating and investing activities, in order to maintain stable operational cash liquidity.

IV. Major Capital Expenditures in the Most Recent Year and their Impacts on the Company's Financial and Operations: As the Company's operation is in good condition and the cash inflow from operating activities has been stable in recent years, the source of funds for major capital expenditure in recent years is mainly self-owned working capital and bank loan, so there is no significant impact on the Company's finance.

V. Investment policy in the most recent year, main reasons for its profit or loss, improvement plans and investment plan for the coming year: None.

VI. Risk Management:

1. The effect upon the Company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future:
 - i. Interest rate: The ratio of net interest expense over consolidated pretax profit of the Company and its subsidiaries in 2024 was 3.34%, indicating that fluctuations in interest rates had a certain impact on the consolidated profit of the Company and its subsidiaries. In response to fluctuations in interest rates, the Company and its subsidiaries appointed designated personnel for assessing the interest rates of bank borrowings with reference to fluctuations in market interest rates, with close contacts with the banks, in order to timely evaluate the market interest rates of capital and money markets, and obtain more favorable borrowing rates and reduce the risk of interest rate fluctuations by use of various financial instruments (such as issuance of convertible bonds or capital increase by cash). To sum up, although the rise in interest rates may affect corporate earnings, the Company and its subsidiaries can reduce the risk of rising interest rates by the use of various financial instruments.
 - ii. Exchange rate: The consolidated net foreign exchange benefit of the Company and its subsidiaries in 2024 was NT\$91,354 thousand, accounting for 18.22% of the consolidated pretax profit. Hence, fluctuations in foreign exchange rates have a certain

degree of impact on the consolidated profit of the Company and its subsidiaries. For the exports of the Company and its subsidiaries, pricing and receivables are mostly denominated in USD or RMB, while some are in EUR and JPY. As the major suppliers' payables are paid in USD, some of the foreign-currency accounts receivable can be used to offset foreign-currency accounts payable, achieving the effect of a natural hedge. However, U.S. dollar assets are still higher than U.S. dollar liabilities, and the Company adopted specific measures in response to fluctuations of foreign exchange rates:

- (1) For the fund transfer in foreign currency, the payment of foreign exchange expenses shall be from the Company's own foreign exchange income in order to effectively reduce foreign exchange risk.
 - (2) The Company and its subsidiaries maintain close contact with banks to keep track of changes in the foreign exchange market, and thereby allow relevant managers to make timely adjustments on fluctuations of foreign exchange rates. The payment remittance depends on the actual funding needs and fluctuations of foreign exchange rates. Excess funds will be exchanged into NTD in a timely manner to reduce foreign currency risk exposure.
 - (3) During the process of pricing, the price will be adjusted with consideration of the impact of fluctuations in foreign exchange rates.
 - (4) In order to mitigate foreign exchange risk, the Company may adopt investment strategies of financial derivatives for hedging in accordance with its "Procedures for Acquisition or Disposal of Assets" and "Procedures for Processing Derivatives Transactions", such as forward exchange contracts, which can hedge relevant foreign exchange rate risk, and mitigate the impact of fluctuations in foreign exchange rate on the Company's profitability.
- iii. Inflation: The Company and its subsidiaries constantly track the market price fluctuations, maintaining good interaction with customers and suppliers. Therefore, inflation currently has no direct impact on the Company and its subsidiaries.
2. The Company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future:
- (1) By adhering to the conservatism principles and the concept of pragmatic approach to business operations. The Company and its subsidiaries are focused on the core businesses and have never engaged in high-risk, high-leverage investments.
 - (2) In accordance with the "Operational Procedures for Loaning Funds to Others" and "Operational Procedures for Endorsements/Guarantees" approved by the Board of Directors, the loaning funds to others and endorsements/ guarantees by the Company and its subsidiaries was conducted between the parent and the subsidiaries, and no losses have incurred from loaning funds others or endorsements/guarantees thanks to sound and stable operation of the affiliates.
 - (3) With the financial hedging strategy of hedging the exchange rate risk, the Company and its subsidiaries fully disclose information on relevant transactions in the financial statements in accordance with the Company's "Procedures for Acquisition and Disposal of Assets" and "Procedures for Processing Derivatives Transactions".
3. Research and development work to be carried out in the future, and further expenditures expected for research and development work:

Unit: NT\$ thousands

Future Research and Development Plan	Projected investment in R&D in 2025	Future Research and Development Plan	Projected investment in R&D in 2025
Development of EzCiclo recyclable free radical-curing resin formulation and molding process	18,000	Development and application of solvent-free wear-resistant composite ceramic paints	13,500
Development of antistatic special functional resins	9,000	Research of recyclable carbon fiber composite bicycles	5,090
Development and application of EzCiclo resin formulation in the low-altitude economy field	9,000	Development of winding technology of hydrogen cylinders	5,830
EzCiclo recyclable pressure vessel and flame-retardant winding resin	18,000	Pultruded carbon plates for wind power girders	3,529
Development of photovoltaic flexible modules EzCiclo recyclable resin formulation	13,500		

- Effect on the Company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response:

The daily operations of Swancor and its subsidiaries are conducted in accordance with related laws and regulations at home and abroad. The Company also pays attention to the trends and changes of domestic and international policies and regulations to control market changes. In the most recent year, changes in domestic and international policies and regulations have not had a significant impact on the Company's financial operations.

- Effect on the Company's financial operations of developments in science (including the safety risk of information and communication) and technology as well as industrial change, and measures to be taken in response:

The Company and its subsidiaries have kept in track of industrial technologies (including the impact of changes in the safety risk of information and communication), technological developments and changes, and industry trends, with improvements in their R&D capabilities, as well as active expansion of the application areas in the energy saving and environmental protection markets in the future. Therefore, changes in technologies and industries may not have a significant impact on the Company's financial operations.

- Effect on the Company's crisis management of changes in the Company's corporate image, and measures to be taken in response:

Since its establishment, the Company and its subsidiaries have adhered to the management concept of "Customer service is of utmost importance; Swancor strives for continuous growth; Employees share the enthusiasm and prides in the Company; Environmental protection is our priority", and the core value of "Quality, Integrity, Innovation, Diligent". In 2021, with the new direction of "Devoted to carbon neutrality and new materials innovation", and we are committed to maintaining corporate image and core business operations. At present, no corporate crisis has occurred from changes in corporate image.

- Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken: None.
- Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken:

The carbon fiber business is planning to relocate the factory, aiming to integrate production sites to meet the demand for new blade designs and cost reduction. This will also provide more space for the introduction of new equipment. In addition to the winding

process and related blast testing equipment, future expansion will include component molding, processing, and coating processes. The goal is to develop a wider range of carbon fiber product applications to reduce the risks associated with a single-product focus.

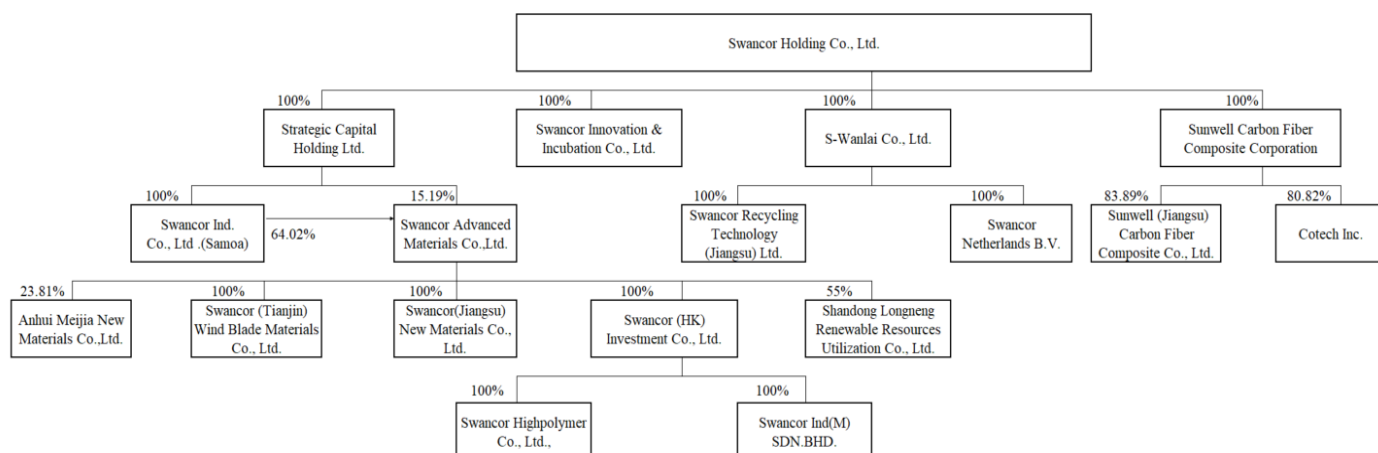
9. Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken:
 - (1) Purchase: The raw materials used by the Company and its subsidiaries are primarily petrochemicals, making production costs susceptible to fluctuations in international crude oil prices. To mitigate this impact, the Company has stepped up efforts to develop localized supply sources and expand supply channels to enhance its bargaining capability. In addition, the Company has adjusted its procurement strategy and changed its procurement methods to achieve diversification, strengthen its insight into future raw material market trends, and implement lean inventory management to control the operational risks brought about by fluctuations in raw material prices.
 - (2) Sales: As the Company and its subsidiaries were committed to developing new products and new customers in recent years, the risks on concentrated sources of sales have been gradually reduced, and there should be no more risks on concentrated sources of sales.
10. Effect upon and risk to the Company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the Company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken: There is no impact of equity transfer or replacement on the Company.
11. Effect upon and risk to Company associated with any change in governance personnel or top management, and mitigation measures being or to be taken: The Company did not experience any change in management up to the date of publication of the annual report.
12. Litigation or non-litigation events: None.
13. Other important risks and corresponding measures: None.

VII. Other Important Matters: None.

Chapter 6. Special Disclosures

I. Information on the Company's Associates

(I) Organizational Structure of Affiliates



Note 1: S-Wanlai established a subsidiary, Swancor Netherlands, on July 18, 2024, with S-Wanlai holding a 100% equity stake.

Note 2: This is the information as of December 31, 2024.

1. Basic information of associates

December 31, 2024 Unit: thousands

Name	Date of incorporation	Address	Actual paid-in capital	Primary business
Swancor Innovation & Incubation Co., Ltd.	April 16, 2021	3rd Floor, No. 11, Industrial South 6th Road, Nantou City, Nantou County	NTD210,000	Management Consultants
S-Wanlai Co., Ltd.	June 7, 2022	No. 11, Industrial South 6th Road, Nantou City, Nantou County	NTD350,000	Production and sales of circular economy products
Swancor Recycling Technology(Jiangsu) Ltd.	November 7, 2023	No. 26, Xixin Avenue, Funing Economic Development Zone, Jiangsu Province	RMB 35,563	Production of recycled carbon fiber and glass fiber products
Swancor Netherlands B.V.	July 18, 2024	Merseyweg 10, Unit 02,40-02.44ResCo-work 40, 3197KG Boltek Rotterdam	EUR1,000	Technical services
Strategic Capital Holding Limited	December 1, 2003	Offshore Chambers, P.O. box 217, Apia, Samoa	USD9,600	Investment holding
Swancor Ind Co., Ltd	August 11, 2006	Offshore Chambers, P.O. box 217, Apia, Samoa	USD7,100	Investment holding
Swancor Advanced Materials Co., Ltd.	October 25, 2000	No. 618, Songsheng Road, Songjiang District, Shanghai	RMB403,200	Production and sale of eco-friendly anti-corrosion resin and lightweight composite resin
Swancor (Tianjin) Wind Blade Materials Co., Ltd.	January 8, 2007	No. 6, Caiyun Street, Hangu Modern Industrial Park, Binhai New Area, Tianjin	RMB56,547	Production and sale of energy-saving wind turbine blade resin
Swancor (Jiangsu) New Materials Co., Ltd.	October 21, 2014	No. 27, Weier Road, High-tech Industrial Park, Funing County, Yancheng City, Jiangsu Province	RMB122,500	Production and sale of energy-saving wind turbine blade resin and eco-friendly anti-corrosion resin
Shandong Longneng Renewable Resources Utilization Co., Ltd.	October 31, 2023	No. 118, Yinshan 1st Road, Yinhai Chemical Industrial Park, Tushan Town, Laizhou City, Yantai City, Shandong Province	RMB11,890	Recycling, processing and sales of waste blades and wind turbine main engines
Swancor (HK) Investment Co., Ltd.	November 23, 2015	Room C1, Room 1501, Grand Millennium Plaza (Low Block), 181 Queen's Road Central, Hong Kong	HKD170,522	Investment holding
Swancor Highpolymer Co., Ltd.	October 6, 2016	No. 9 Gongye South 6th Road, Nantou City, Nantou County	NTD415,800	Production and sale of eco-friendly anti-corrosion resin and lightweight composite resin
Swancor Ind (M) SDN BHD	October 11, 2013	NO.41-01 JALAN MUTIARA EMAS 10/2 TAMAN MOUNT AUSTIN JOHOR BAHRU JOHOR MALAYSIA	MYR32,634	Production and sale of eco-friendly anti-corrosion resin and lightweight composite resin
Sunwell Carbon Fiber Composite Corporation	September 3, 2019	No. 11, Industrial South 6th Road, Yongfengli, Nantou City, Nantou County	NTD530,000	Production and sale of carbon fiber composite materials
Sunwell (Jiangsu) Carbon Fiber Composite Co., Ltd.	October 15, 2015	No. 26, Xixin Avenue, Funing Economic Development Zone, Jiangsu Province	USD19,000	Production and sale of carbon fiber composite materials
Cotech Inc.	May 10, 2002	No. 21, Jing 1st Road, Wuqi District, Taichung City	NTD438,462	Production and sale of carbon fiber composite materials

Note1: The above mentioned associates do not hold any of the Company's shares.

Note2: December 31, 2024 foreign currency exchange rate: USD/NTD: 32.785, RMB/NTD: 4.5608, MYR/NTD: 7.3254, EUR/NTD:34.14

2. Information on the same shareholders of companies that are considered to have a controlling and subordinate relation: None.

3. Information on directors, supervisors and general managers of affiliates

December 31, 2024

Name	Title	Name or representative	Shareholding	
			Shares	%
Swancor Innovation & Incubation Co., Ltd.	Chairman	Swancor Holding Co., Ltd. Representative: Jau-Yang Tsai	21,000,000	100%
	Director	Swancor Holding Co., Ltd. Representative: Hsiao-Wei Tsai/ Hsiao-Te Tsai		
	Supervisor	Swancor Holding Co., Ltd. Representative: Shu-Hsien Kan		
S-Wanlai Co., Ltd.	Chairman	Swancor Holding Co., Ltd. Representative: Hsiao-Yi Tsai	35,000,000	100%
Swancor Recycling Technology (Jiangsu) Ltd.	Chairman	S-Wanlai Co., Ltd. Representative: Hsiao-Yi Tsai	(Note 1)	100%
	Supervisor	S-Wanlai Co., Ltd. Representative: Mei-Ching Hung		
Swancor Netherlands B.V.	Director	S-Wanlai Co., Ltd. Representative: Li-Che Lu	(Note 1)	100%
Strategic Capital Holding Limited	Director	Swancor Holding Co., Ltd. Representative: Jau-Yang Tsai	9,601,250	100%
Swancor Ind Co., Ltd	Director	Strategic Capital Holding Limited (Samoa) Representative: Jau-Yang Tsai	7,100,000	100%
Swancor Advanced Materials Co., Ltd.	Chairman	Swancor Ind Co., Ltd (SAMOA) Strategic Capital Holding Limited Representative: Jau -Yang Tsai	319,517,122	79.21%
	Director	Swancor Ind Co., Ltd (SAMOA) Strategic Capital Holding Limited Representative: Shu-Hsien Kan /Ta-Wei Wang		
		Xinjiang Goldwind Sci & Tech Co., Ltd. Representative: Wan-Ping Liu,	21,800,883	6.40%
	Independent Director	Yuan-Tung Li / Kung-Lien Kao / Hsu-Yu Liu	0	0%
	Supervisor	Mei-Ching Hung / Chia-Min Hung / Hung-Jung Wang	0	0%
Swancor (Tianjin) Wind Blade Materials Co., Ltd.	Chairman	Swancor Advanced Materials Co., Ltd. Representative: Jau-Yang Tsai	(Note 1)	100%
	Supervisor	Pei-Yi Li		
Swancor (Jiangsu) New Materials Co., Ltd.	Chairman	Swancor Advanced Materials Co., Ltd. Representative: Jau-Yang Tsai	(Note 1)	100%
	Supervisor	Pei-Yi Li		
Shandong Longneng Renewable Resources Utilization Co., Ltd.	Director	Swancor Advanced Materials Co., Ltd. Representative: Hsiao-Yi Tsai / Shu-Hsien Kan	(Note 1)	55%
	Director	Shandong Longneng New Energy Co., Ltd. Representative: Tse-Hsiao Sun	(Note 1)	45%
	Supervisor	Pei-Yi Li	0	0%
Swancor (HK) Investment Co., Ltd.	Chairman	Swancor Advanced Materials Co., Ltd. Representative: Ya-Nung Tsai	(Note 1)	100%
Swancor Highpolymer Co., Ltd.	Chairman	Swancor (HK) Investment Co., Ltd. Representative: Jau-Yang Tsai	41,580,000	100%
Swancor Ind (M) SDN BHD	Director	Swancor (HK) Investment Co., Ltd. Representative: Pei-Yi Li / Chun-Ming Chen	32,656,957	100%

Name	Title	Name or representative	Shareholding	
			Shares	%
Sunwell Carbon Fiber Composite Corporation	Chairman	Swancor Holding Co., Ltd. Representative: Jau-Yang Tsai	53,000,000	100%
	Director	Shih-Jung Kuo / Hsiao-Yi Tsai / Wei-Cheng Hsiao / Kai-His Tseng	0	0%
	Supervisor	Ming-Jen Chan / Shu-Hsien Kan	0	0%
Sunwell (Jiangsu) Carbon Fiber Composite Co., Ltd.	Chairman	Sunwell Carbon Fiber Composite Corporation Representative: Jau-Yang Tsai	(Note 1)	83.89%
	Director	Sunwell Carbon Fiber Composite Corporation Representative: Shu-Hsien Kan		83.89%
		Formosa Plastics (Cayman) Ltd. Representative: Kuo-Ching Lien		16.11%
	Supervisor	Sunwell Carbon Fiber Composite Corporation Representative: Chia-Min Hung		83.89%
		Formosa Plastics (Cayman) Ltd. Representative: Chia-Hung Chien		16.11%
Cotech Inc.	Chairman	Sunwell Carbon Fiber Composite Corporation Representative: Tsung-Ting Hsieh	130,000,000	80.82%
	Director	Sunwell Carbon Fiber Composite Corporation Representative: Shih-Jung Kuo/ Hsiao-Yi Tsai / Shih-Wen Yu		
	Director	Wan-Tsung Weng	68,653	0.04%
	Supervisor	Li-Min Hung	0	0%

Note 1: The company is a limited company with no share issued.

4. Overview of business operations of associates

December 31, 2024 Unit: NT\$ thousands

Name of Company	Actual paid-in capital	Total asset value	Total liabilities	Net Value	Operating revenue	Operating profit	Net Profit and loss (after tax)	Earnings per share (NT\$) (after tax)
Swancor Innovation & Incubation Co., Ltd.	210,000	140,376	68,770	71,606	285,681	(30,932)	(30,740)	(1.47)
S-Wanlai Co., Ltd.	350,000	571,275	275,174	296,101	245,584	(45,250)	(40,842)	(1.17)
Swancor Recycling Technology (Jiangsu) Ltd.	157,150	165,967	13,842	152,125	1,603	(20,159)	(9,401)	(Note 2)
Strategic Capital Holding Limited	317,780	4,495,417	-	4,495,417	-	(38)	382,933	31.89
Swancor Ind Co., Ltd.	233,692	3,687,671	67,474	3,620,197	-	(49)	246,454	34.71
Swancor Advanced Materials Co., Ltd.	1,834,912	7,644,835	1,875,256	5,769,579	2,157,225	55,965	401,869	1.00
Swancor (Tianjin) Wind Blade Materials Co., Ltd.	254,376	2,227,335	1,178,219	1,049,116	1,470,392	(8,809)	(460)	(Note 2)
Swancor (Jiangsu) New Materials Co., Ltd.	613,850	1,510,707	618,042	892,665	1,575,133	58,268	45,115	(Note 2))
Shandong Longneng Renewable Resources Utilization Co., Ltd.	52,747	40,618	1,232	39,386	11,249	(15,138)	(14,981)	(Note 2)
Swancor (HK) Investment Co., Ltd.	662,997	1,755,066	275	1,754,791	-	(269)	340,903	(Note 2)
Swancor Highpolymer Co., Ltd.,	415,800	2,029,761	550,080	1,479,681	2,720,427	349,135	321,306	7.73
Swancor Ind (M) SDN BHD	241,521	566,911	292,246	274,665	511,363	31,195	19,869	0.61
Sunwell Carbon Fiber Composite Corporation	530,000	1,093,432	327,178	766,254	484,082	21,196	81,049	1.53
Sunwell (Jiangsu) Carbon Fiber Composite Co., Ltd.	611,313	1,324,959	766,526	558,433	638,834	51,802	67,917	(Note 2)
Cotech Inc.	438,462	229,588	455,511	(225,923)	74,758	(4,367)	(4,302)	(0.10)
Swancor Netherlands B.V.	35,620	31,262	132	31,130	-	(3,113)	(3,064)	(Note 2)

Note 1: If any related company is a foreign company, its relevant figures shall be presented in NT\$ as converted at the exchange rate on the reporting date.

	Closing rate	Average rate
US\$1:	NT\$ 32.785	NT\$ 32.1251

Note 2: The company is a limited company with no share issued.

(II) Consolidated Financial Statements of Affiliates:

In 2024 (from January 1, 2024 to December 31, 2024), pursuant to the Regulations Governing Preparation of Consolidated Business Reports Covering Affiliated Enterprises, Consolidated Financial Statements Covering Affiliated Enterprises, and Reports on Affiliations, the entities that must be included in preparing the consolidated financial

statements covering affiliated enterprises are entirely the same as those that the International Financial Reporting Standards (IFRS) 10, endorsed by the Financial Supervisory Commission (FSC), requires to be included in preparing the consolidated financial report comprising the parent and its subsidiaries, and if the required disclosures to be made in the consolidated financial statements covering affiliated enterprises are already made in the consolidated financial report comprising the parent and its subsidiaries, then the consolidated financial statements covering affiliated enterprises need not be prepared.

(III) Affiliation report: Not applicable.

- II. Private Placement Securities in the Most Recent Year up to the Publication Date of this Annual Report: None.
- III. Other Matters that Require Additional Description: None.

Chapter 7. Events with major impacts on shareholder equity or stock price described in Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act in the most recent year up to the date of publication of this Annual Report: None.

Swancor Holding Co., Ltd.
2024 Annual Report

Swancor Holding Co., Ltd.

Chairman: Jau-Yang Tsai