

Stock Code:3323



加百裕工業股份有限公司

Celxpert Energy Corporation

2024

ANNUAL REPORT

Notice to readers

This 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.

Annual report inquiry website: <http://mops.twse.com.tw>

Company website: <http://www.celxpert.com.tw>

Printed on April 21th, 2025

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Recent Annual Financial Report:

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V. Exchange for trading listed overseas securities: None

Methods for accessing the information on these securities: None.

VI. Company Website: <http://www.celxpert.com.tw>

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I. Letter to Shareholders:

Dear shareholders:

First of all, thank you for attending the 2025 Annual General Meeting of our company.

We would like to report on the operating results for the year 2024 and the business outlook for the year 2025 as follows:

A. Annual Business Result of 2024

1. Business plan implementation results

For 2024, our consolidated revenue was NT\$5.448 billion, compared to NT\$7.204 billion in 2023, reflecting a decline of 24.38%. The decline in revenue was primarily driven by global economic uncertainties, including the ongoing Russia-Ukraine conflict, inflationary pressures, a high interest rate environment, and subdued end-market demand. These factors led customers to continue adjusting their inventory levels, thereby impacting overall shipment momentum.

- (1) Notebook Battery Modules: Revenue was affected by weak demand in the notebook market and customer realignment of supply chain share in China.
- (2) Networking and Communication Product Battery Modules: Shipments were constrained due to lower-than-expected demand for legacy models and delays in the mass production schedules of customers' new models.
- (3) Power Tool and Garden Product Battery Packs: The prolonged Russia-Ukraine conflict continued to suppress customer demand, leading to downward revisions in inventory levels and resulting in weakened market demand.
- (4) Electric Bicycles: The slow pace of inventory digestion by customers continued to weigh on short-term sales performance.
- (5) Energy Storage: Despite the broader economic headwinds, the energy storage market continued to grow. The Company secured a stable stream of orders and began shipments accordingly, making ESS a key driver of stable revenue growth.

2. Budget implementation

The Company has not announced the financial forecast for 2024.

3. Financial balance and profit analysis

(1) The operating status of 2024 is as below:

Although total revenue declined, operating gross profit achieved modest growth compared to the previous year through effective cost control and expense optimization. Operating net loss was significantly reduced, demonstrating that the Company's operational adjustment strategies have begun to yield positive results.

Unit: NT thousand

Item	2024	2023
Net operating income	5,447,777	7,203,544
Operating cost	4,972,932	6,737,195
Gross Profit	474,845	466,349
Operating expenses	582,162	664,549
Operating Net Loss	-107,317	-198,200
Total non-operating income and expenditure	25,899	-103,249
Net loss before tax	-81,418	-304,449
Income tax expense (benefit)	7,550	-31,637
Net profit after tax	-88,968	-269,812
Earnings per share (NT\$)	-1.11	-3.27

(2) Financial revenue and expenditure and profitability analysis

Item	2024	2023
Return on assets %	-0.63%	-3.61%
Return on equity %	-3.52%	-10.64%
Net operating profit as a percentage of paid-in capital %	-11.47%	-22.44%
Net profit before tax as a percentage of paid-in capital %	-8.70%	-34.13%
Profit rate %	-1.63%	-3.74%

4. Research development status

Research and Development Expenditures and Achievements in the Last Three Years:

Year	Cost (Thousands of New Taiwan Dollars)	Achievements of Technology or Product Development
2022	232,941	1. BBU ORing Short Circuit Protection Technology 2. BBU ORV3 System Technology 3. MOLDEX Mold Flow Analysis Technology 4. E-Bike Dual Battery System Technology 5. K1 Lithium-Ion Battery SOC Algorithm for Low Temperature Region 6. Battery Pack Remote Firmware Update Technology 7. Lithium-ion Battery 2-Pulse SOH Algorithm
2023	205,235	1. Upgrade of Battery Pack Diagnostic Tools 2. Implementation of Time-Stamped Event Log Functionality 3. Development of EMS System for Energy Storage Containers 4. BV Safety Certification for Energy Storage Containers 5. RSOC Smooth Mechanism 6. ESS APP Monitor Software 7. ESS Web Based Monitor Software 8. BBU Battery with Charger and Discharger
2024	174,592	1. Development of ESS GEN2 High Voltage Battery Pack for Energy Storage Containers 2. Development of ESS Liquid Cooling Technology 3. Development of 3KW Data Center BBU Battery Pack

Year	Cost (Thousands of New Taiwan Dollars)	Achievements of Technology or Product Development
		4. Development of Lithium-Ion BBU Battery Pack for Telecom Base Station 5. Development of Lithium-Ion Battery Pack for Electric Speedboat 6. Development of Lithium-Ion Battery Pack for E-Moto Electric Motorcycle 7. Development of Lithium-Ion Battery System Thermal Simulation Technology Development of Lithium-Ion Battery Pack Thermal Runaway Protection Technology

B. Summary of 2025 business plan

1. Business strategy and market approach:

- (1) Diversification of product portfolio: Enhance market penetration of energy storage systems and electric mobility battery modules to reduce reliance on notebook battery modules.
- (2) Technology innovation and differentiation: Focus on high-performance Battery Management Systems (BMS) and smart battery solutions to increase product value.
- (3) Production efficiency enhancement: Promote automation and digital manufacturing to boost production capacity and reduce costs.
- (4) Supply chain optimization: Strengthen supply chain resilience to mitigate the impact of raw material price volatility.
- (5) Global market expansion: Proactively explore markets in Europe, the United States, and Southeast Asia to diversify regional risk.

2. Expected sales volume and its basis

In 2024, global economic downturns weakened demand across several segments including notebook battery modules, power tools, and electric bicycles, as customers continued inventory adjustments, resulting in lower revenue. However, as market conditions gradually stabilize, the Company anticipates improved performance in 2025.

- (1) Notebook Battery Modules: Market demand for notebooks in 2025 is expected to recover. Adjustments to China-based supply chain allocation have largely been completed. With the acquisition of new customers and the boost from AI-enabled PCs, revenue is projected to bottom out and rebound gradually.
- (2) Networking and Communication Battery Modules: The ongoing global rollout of 5G is driving demand for base station and networking equipment batteries. New customers and products have passed certifications and entered mass production, supporting steady revenue growth.

- (3) Power Tools and Garden Products: While demand remains subdued due to the ongoing Russia-Ukraine conflict, customers are nearing the end of their inventory correction cycle, and sales volume is expected to see modest growth over 2024.
 - (4) Electric Bicycles: Following a year of inventory adjustments, sales are expected to stabilize in the second half of 2025.
 - (5) Energy Storage and BBU Products: As global energy transition policies take effect, demand for residential and commercial energy storage continues to grow. Orders for containerized ESS have been secured with shipments underway, while BBU products are progressively completing certification, driving steady revenue growth.
3. Future company development strategy
- (1) Enhancing Product Competitiveness: The Company will continue to invest in research and development to drive innovation in battery technologies, with a particular focus on power battery systems and energy storage applications.
 - (2) Expanding New Market Opportunities: Efforts will be accelerated to expand into energy storage, electric mobility, and industrial applications, aiming to scale up business operations.
 - (3) Improving Production Efficiency and Automation: The Company will strengthen smart manufacturing capabilities to reduce production costs and improve operational efficiency.
 - (4) Optimizing Financial Structure: By actively managing operational costs and improving gross margins and capital efficiency, the Company aims to maintain financial soundness.
 - (5) Implement exclusive customer services for existing customers and strengthen patent and technical cooperation levels to obtain customer trust and then increase the proportion of orders placed with the Company.
4. Impact of the external competitive environment, regulatory environment and overall business environment
- (1) Major battery manufacturers are expanding production and advancing battery performance, creating pressure on small- and medium-sized battery module providers.
 - (2) Intensified price competition is pushing companies to increase product value and differentiate themselves to gain market share.
 - (3) The cost of direct labor in China continues to rise rapidly due to the impact of the epidemic.
 - (4) In response to climate change, stricter regulations on lithium battery recycling and carbon emissions may lead to higher manufacturing costs.
 - (5) The global tax reform and the new tax system will affect the competitiveness of enterprises.
 - (6) Increasingly stringent battery safety regulations are raising market entry thresholds.
 - (7) The global shift toward renewable energy and heightened environmental awareness are driving strong growth in energy storage demand and sales volume.

5. Conclusion

In 2025, the Company will face challenges from intensified market competition, stricter regulatory requirements, and global economic fluctuations. Nevertheless, the rebound of the E-bike market, ongoing growth in the new energy sector, and the rapid expansion of energy storage and BBU markets present new development opportunities. Celxpert will continue to deepen its technological edge in lithium batteries, strengthen its global market presence, and enhance operational efficiency through supply chain optimization and automation, thereby ensuring long-term, sustainable growth.

Chairman: Shih-Ming Huang

II. Corporate Governance Report

2.1 Directors, Supervisors and Management Team

1. Director Information

April 21, 2025

Job Title	Name	Gender/Age	Nationality or place of registration	Date of appointment to position	Date of election (appointment)	Term of office	Held shares at the time of election (appointment)		Current shareholding		Shares held by spouse and minor children		Holding shares in other people's names		Main educational and career background	Current positions held in other companies	Other manager, director, or supervisor with spouse or relatives within two degrees of relationship			Note
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job title	Name	Relation	
Chairman	Shih-Ming Huang (Note 1)	Male 71~80 years old	R.O.C.	1997.11	2024.06.13	3 years	3,186,194	3.61%	2,936,194	3.13%	—	—	1,289,657	1.37%	- Master of Electrical Engineering, Georgia Institute of Technology, USA - General Manager, AUDIX CORPORATION - Engineering Manager, Purchasing Manager, and Deputy Director of Business, Compal Electronics, Inc.	- General Manager of the Company - Chairman, Celxpert Holdings Ltd. (BVI) - Director, PT.Celxpert Energy Indonesia - Chairman, Celxpert Energy (HK) Ltd. - Chairman, Advance Smart Industrial Ltd. (BVI) - Chairman, Celxpert (Kunshan) Energy Co.,Ltd. - Chairman, Celxpert Energy Corporation (Changchun)	Director	Ching-Jung Huang	Father and daughter	None
Director	Chien-Ting Chen	Male 51~60 years old	R.O.C.	2015.06.24	2024.06.13	3 years	802,811	0.91%	802,811	0.85%	—	—	—	—	- Department of Business, National Taiwan University - Senior Deputy General Manager, Lien Chuang Investment Co., Ltd.	- Legal Representative of Visual Photonics Epitaxy Co., Ltd. - Legal Representative of ASCENT DEVELOPMENT CO., LTD. - Compensation Committee member of Shih Wei Navigation Co., Ltd.	None	None	None	None
Director	KangHuei Investment Co., Ltd.	26	R.O.C.	2018.06.14	2024.06.13	3 years	2,539,549	2.88%	2,539,549	2.70%	—	—	—	—	—	—	None	None	None	None
	Legal Representative: Wen-Hung Huang	Male 61~70 years old					—	—	—	—	—	—	—	—	- Executive Master of Business Administration (EMBA), Royal Roads University, Canada - Deputy General Manager, Channel Tend Technologies Co., Ltd.		None	None	None	None
Director	KangHuei Investment Co., Ltd.	26	R.O.C.	2018.06.14	2024.06.13	3 years	2,539,549	2.88%	2,539,549	2.70%	—	—	—	—	—	—	None	None	None	None
	Legal Representative: Chung-Kuei Hsu	Male 71~80 years old					—	—	—	—	—	—	—	—	- Department of Political Science, Fu Hsing Kang College, National Defense University - Chairman, Han Sheng Construction Co., Ltd.		None	None	None	None

Job Title	Name	Gender/Age	Nationality or place of registration	Date of appointment to position	Date of election (appointment)	Term of office	Held shares at the time of election (appointment)		Current shareholding		Shares held by spouse and minor children		Holding shares in other people's names		Main educational and career background	Current positions held in other companies	Other manager, director, or supervisor with spouse or relatives within two degrees of relationship			Note
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job title	Name	Relation	
Director	Kaiseng Investment Co.	4	R.O.C.	2021.07.05	2024.06.13	3 years	1,590,577	1.80%	1,590,577	1.69%	—	—	—	—	—	—	None	None	None	None
	Legal Representative:Ching-Jung Huang	Female 41~50 years old					—	—	193,780	0.21%	355	0.0%	300,920	0.32%	- Department of Nuclear Science, National Tsing Hua University - Deputy General Manager, Celxpert Energy Corporation - Chairman of Kaiseng Investment Co.	- Deputy General Manager of the Company - Director of PT.Celxpert Energy Indonesia - Director of Celxpert Energy Corporation (Changchun) - Chairman of Keelgoal Energy Co., Ltd. - Independent Director of CoreMax Corporation.	Chairman and General Manager	Shih-Ming Huang	Father and daughter	None
Independent Director	Wei-Hung Lin	Male 61~70 years old	R.O.C.	2006.02.22	2024.06.13	3 years	—	—	—	—	—	—	—	—	- Master's degree, Taiwan University of Science and Technology - Accountant, Kao Fu Accounting Firm	- Accountant, Kao Fu Accounting Firm - Chairman of Kao, Fuh Management Consulting Co., Ltd. - Legal Representative of Asia Electronic Material Co., Ltd.	None	None	None	None
Independent Director	Chih-Wei Tsai	Male 41~50 years old	R.O.C.	2021.07.05	2024.06.13	3 years	—	—	—	—	—	—	—	—	- Master's degree, Department of Accounting, National Chengchi University - Managing Accountant, Chengye Accounting Firm - Independent Director, Taiwan Chinsan Electronic Industrial Co., Ltd. - Independent Director, Universal Microwave Technology, Inc. - Independent Director, Yankee Engineering Co., Ltd.	- Practicing accountant, Chengye Accounting Firm - Independent Director, Yankee Engineering Co., Ltd. - Independent Director, Taiwan Chinsan Electronic Industrial Co., Ltd. - Independent Director - Independent Director, Universal Microwave Technology, Inc.	None	None	None	None
Independent Director	Jan-Yan Lin	Male 61~70 years old	R.O.C.	2018.06.14	2024.06.13	3 years	—	—	—	—	—	—	—	—	- Doctor of Business Administration, National Chengchi University - Full-time professor at the Department of Business Administration, Chung Yuan Christian University - Director of the Global Taiwanese Business Research Center, Chung Yuan Christian University - Director at First Commercial Bank - Head of the Mainland China-Taiwan Business and Trade Network Project,	- Full-time professor at the Department of Business Administration, Chung Yuan Christian University - Director of the Global Taiwanese Business Research Center, Chung Yuan Christian University	None	None	None	None

														Mainland Affairs Council • Deputy Dean of the College of Business, Chung Yuan Christian University					
Independent Director	Ming-Xiu Cheng	Male 51~60 years old	R.O.C.	2023.06.15	2024.06.13	3 years	—	—	—	—	—	—	—	• Ph.D. of Laws, University of Münster, Germany • Distinguished Professor, Department of Law, Soochow University	• Distinguished Professor, Department of Law, Soochow University • Independent Director of Superalloy Industrial Co., Ltd.	None	None	None	None

Note 1: When the general manager or equivalent (the highest managerial personnel) and the chairman of the board are the same person, spouses or first-degree relatives, the relevant information should be disclosed regarding the reasons, rationality, necessity, and corresponding measures (such as increasing the number of independent directors and ensuring that more than half of the directors are not concurrently serving as employees or managerial personnel):

The chairman of the board of the Company also serves as the general manager. This is to take into account the chairman's familiarity with the industry to which the Company belongs, which can improve operational efficiency and decision-making execution. However, at present, more than half of the directors of the Company do not concurrently serve as employees or managerial personnel of the Company. The Company has elected an independent director at the 2023 shareholders' meeting to enhance the functions of the Board of Directors and strengthen its supervisory role.

2. Main shareholders of the corporate shareholder who is a director:

2025/04/21

Name of Corporate Shareholder	Main Shareholders of the Corporate Shareholder
KangHuei Investment Co., Ltd.	Zong-Yuan Huang (42%) , Qi-Song Xu (15%), Ling-Ju Huang (12%) , Xiu-Mei Liao (10%), Zao-Rong Huang (14%) , Zheng-Yuan Huang (5%) , Dai-Qi Yang (2%)
Kaiseng Investment Co. , Ltd.	Shih-Ming Huang (48.01%) , Ching-Jung Huang (31.17%), Mei-Dan Su (20.82%)

3. For a corporate shareholder, the main shareholders are the owners of that corporate shareholder: None

4. Professional knowledge and independence of directors:

(1) Disclosure of professional qualifications and independence of directors and supervisors:

Name	Condition	Professional Qualifications and Experience	Independence Status	The Number of Independent Directors Serving Other Publicly Traded Companies
Chairman Shih-Ming Huang		- Leadership experience of the Board of Directors (For work experience, please refer to Director information on page 6). - Professional experience in operational judgment, management, crisis handling, industry knowledge, international market outlook, leadership decision-making, etc. - No circumstances listed in Article 30 of the Company Law.	(4)(5)(6)(7)(8)(9)(10)(11)(12)	0
Director Chien-Ting Chen		- Professional experience in operational judgment, management, crisis handling, industry knowledge, international market outlook, etc. - No circumstances listed in Article 30 of the Company Law.	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	0
Director KangHuei Investment Co., Ltd. Representative: Wen-Hung Huang		- Professional experience in operational judgment, management, crisis handling, industry knowledge, international market outlook, etc. - No circumstances listed in Article 30 of the Company Law.	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	0
Director KangHuei Investment Co., Ltd. Representative: Chung-Kuei Hsu		- Professional experience in operational judgment, management, crisis handling, industry knowledge, international market outlook, etc. - No circumstances listed in Article 30 of the Company Law.	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	0
Director Kaiseng Investment Co. Representative: Ching-Jung Huang		- Professional experience in operational judgment, management, crisis handling, industry knowledge, international market outlook, etc. - No circumstances listed in Article 30 of the Company Law.	(4)(5)(6)(7)(8)(9)(10)(11)(12)	1
Independent Director Wei-Hung Lin		- Leadership experience in the Compensation Committee, Audit Committee, and Board of Directors (for work experience, please refer to Director information on page 6). - Professional knowledge of the industry and financial accounting. - No circumstances listed in Article 30 of the Company Law.	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	0
Independent Director Chih-Wei Tsai		- Leadership experience in the Compensation Committee, Audit Committee, and Board of Directors (for work experience, please refer to Director information on page 6). - Professional knowledge of the industry and financial accounting. - No circumstances listed in Article 30 of the Company Law.	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	3

Name	Condition	Professional Qualifications and Experience	Independence Status	The Number of Independent Directors Serving Other Publicly Traded Companies
Independent Director Jan-Yan Lin		1. Leadership experience in the Compensation Committee, Audit Committee, and Board of Directors (for work experience, please refer to Director information on page 6). 2. Professional knowledge of the industry and financial accounting. 3. No circumstances listed in Article 30 of the Company Law.	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	0
Independent Director Ming-Xiu Cheng		1. Membership in the Audit Committee, and leadership experience of the Board of Directors for work experience, please refer to Director information on page 6). 2. Professional legal knowledge. 3. No circumstances listed in Article 30 of the Company Law.	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	1

Note: The independence status of each director and supervisor during the two years before and during their term of office. (Those who meet the criteria are disclosed in the table above.)

- (1) Not an employee of the Company or any of its related companies.
- (2) Not a director or supervisor of the Company or any of its related companies (except for independent directors established by the Company, its parent company, subsidiary, or a subsidiary of the same parent company in accordance with this law or local laws and regulations, who are mutually appointed, and are not subject to this restriction) .
- (3) Neither the individual nor their spouse, minor children, or any natural person shareholder who holds more than 1% of the total issued shares of the Company or is among the top ten shareholders, holding shares under another person's name.
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer listed under (1) or any of the persons listed in (2) and (3).
- (5) Not a director, supervisor, or employee of a corporate shareholder who directly holds more than 5% of the total issued shares of the Company, is among the top five shareholders, or is appointed as a representative by the Company's Article 27, Paragraph 1, or Paragraph 2, (except for independent directors established by the Company, its parent company, subsidiary, or a subsidiary of the same parent company in accordance with this law or local laws and regulations, who are mutually appointed, and are not subject to this restriction.)
- (6) Not a director, supervisor, or employee of another company's Board of Directors, supervisors, or employees who control more than half of the Company's issued shares or voting rights and are controlled by the same person, except for independent directors established by the Company, its parent company, subsidiary, or a subsidiary of the same parent company in accordance with this law or local laws and regulations, who are mutually appointed, and are not subject to this restriction.
- (7) If the chairperson, general manager, or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor) , supervisor, or employee of that other company or institution (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent) .
- (8) Directors (supervisors) , managers, or shareholders holding more than 5% of the shares of specific companies or organizations that have financial or business dealings with the Company, unless they are independent directors established in accordance with this law or local laws by the Company, its parent company, subsidiary, or a subsidiary of the same parent company, and are mutually concurrently serving as independent directors, provided that the specific company or organization holds more than 20% but no more than 50% of the total issued shares of the Company.
- (9) Professional individuals, sole proprietors, partnerships, companies, or organizations providing relevant services such as business, legal, financial, and accounting services to the Company or related enterprises, whose cumulative compensation within the last two years does not exceed NT\$500,000, and their spouses, shareholders, partners, directors (supervisors) , or employees. However, this does not apply to members of the Compensation Committee, public acquisition review committee, or merger special committee who perform their duties in accordance with relevant laws such as the Securities and Exchange Act or the Company Merger and Acquisition Act.
- (10) Not having a spouse or a relative within the second degree of kinship with any other director.
- (11) Not falling under any of the circumstances specified in Article 30 of the Company Act.
- (12) Not being elected as a representative of the government, a legal entity, or its representative, as specified in Article 27 of the Company Act.

(2) Board of Directors' diversity and independence:

A. Board of Directors' diversity:

The Company is committed to promoting the effective operation, organizational structure, and development needs of the Board of Directors through the formulation of appropriate diversity policies. The nomination and selection of board members follow the provisions outlined in the Company's Article of Incorporation, utilizing a candidate nomination system. In addition to evaluating the qualifications and experiences of each candidate, we adhere to the guidelines set forth in the "Corporate Governance Best Practice Principles for TWSE/TPEX Companies., particularly Article 20, to ensure the diversity and independence of our board members.

When appointing directors, the Company not only considers their professional background but also values diversity among the directors. The Company has a total of nine directors, including four independent directors and one female director. The members' professional backgrounds cover management, science and engineering, accounting, industry practitioners, and legal professions. The Board of Directors has diversified knowledge and academic backgrounds, which can provide professional advice from different perspectives, contributing greatly to improving the Company's operating performance and management efficiency.

The proportion of directors who are also employees of the Company is 22.22%, and the proportion of independent directors is 44.44%. The Company also attaches importance to gender equality in the composition of the Board of Directors, with a female director ratio of 11.11%. More details about the diversity of the Board of Directors are as follows:

Diversified Core Projects	Basic Composition													Required Abilities							
	Nationality	Gender	Concurrently Serving as Company Employee	Age					Years of Service as Independent Director				Operational Judgment	Accounting and Financial Analysis	Management	Industry Knowledge	Crisis Management	International Market Observation	Leadership	Decision-Making	Risk Management Knowledge
				31-40 Years Old	41-50 Years Old	51-60 Years Old	61-70 Years Old	Over 71 Years Old	0-3 Years	4-6 Years	7-9 Years	10-12 Years									
Director's Name																					
Shih-Ming Huang	R.O.C.	Male	✓					✓					✓		✓	✓	✓	✓	✓	✓	✓
Chien-Ting Chen		Male				✓							✓	✓	✓	✓	✓	✓	✓	✓	✓
Wen-Hung Huang		Male					✓						✓		✓	✓	✓	✓	✓	✓	✓
Chung-Kuei Hsu		Male						✓					✓		✓	✓	✓	✓	✓	✓	✓
Ching-Jung Huang		Female	✓		✓								✓		✓	✓	✓	✓	✓	✓	✓
Wei-Hung Lin		Male					✓					✓		✓	✓	✓	✓	✓	✓	✓	✓
Chih-Wei Tsai		Male			✓						✓			✓	✓	✓	✓	✓	✓	✓	✓
Jan-Yan Lin		Male					✓					✓		✓	✓	✓	✓	✓	✓	✓	✓
Ming-Xiu Cheng		Male				✓				✓				✓		✓	✓	✓	✓	✓	✓

B. Independence of the Board of Directors:

In 2023, the Company elected an additional independent director, bringing the total number of board members to nine, including four independent directors. The Board comprises professionals with diverse backgrounds in management, engineering, law, accounting, industrial operations, and investment. This diversity of expertise, drawn from both industry and academia, enables the Board to provide well-rounded and professional insights, significantly contributing to the Company's operational performance and management efficiency. Among the board members, 22.22% are employee directors, and 44.44% are independent directors. The Company also places strong emphasis on gender equality in board composition, with a target of having at least 11.11% female directors. Currently, one of the nine directors is female, representing approximately 11.11% of the Board. Apart from the fact that two directors, Shih-Ming Huang and Ching-Jung Huang, are related within the second degree of consanguinity, there are no circumstances as defined by Article 26-3, paragraphs 3 and 4 of the Securities and Exchange Act between the other directors. Please refer to “(4) Disclosure of professional qualifications and independence of directors and supervisors” at page 9 of the annual report.

C. Succession Planning and Operation of the Board of Directors

The Company implements a diversified policy for the members of the Board of Directors in accordance with the Corporate Governance Best Practice Principles. Currently, the board has nine members, including four independent directors, with diverse complementary experiences in industries, finance, accounting, legal, and other professional fields. Regarding the succession plan for the Board of Directors, the Company cultivates senior executives to enter the Board of Directors, enabling them to become familiar with the operation of the board and the business of various units in the group, thereby enhancing management efficiency and decision-making execution capability. The Company continues to adhere to the following standards for the director succession plan:

- ① Integrity, responsibility, innovation, and decision-making ability, with professional knowledge and skills that contribute to the Company's management and are consistent with the Company's core values.
- ② The overall expertise of the Board of Directors should include corporate strategy, accounting and taxation, finance and banking, law, administration, and production management.
- ③ In addition to the industry experience related to the Company's business, the Board of Directors also hopes to have backgrounds in different industry fields. The addition of such members is expected to provide a Board of Directors that is effective, collaborative, diverse, and meets the needs of the Company.

D. Succession Planning and Operation of Important Management Levels

- ① The important management levels of the Company are responsible for the related management and business operations within the organization, and each management level has a position agent. In addition to the necessary professional skills and experience, the values and management philosophy of the important management levels must be consistent with the Company's business philosophy of "integrity, pragmatism, quality assurance, innovation, and excellence."
- ② To cultivate the important management levels and their position agents, the Company plans and holds courses or lectures for senior executives (including the general manager) every year to understand global net-zero trends, external industry knowledge, new technology and management thinking, and the pulse of the times.
- ③ To cultivate a leadership pipeline, the Company organizes management training for middle and senior executives every year. The training focuses on future strategic planning and includes themed courses and discussions. Course topics include accountable execution and cross-departmental communication, building high-performance teams, cybersecurity defense, AI literacy, sexual harassment prevention, next-generation talent management, talent development and leadership succession, effective meeting management and follow-up, and business contract review.
- ④ The Manager Training Courses arranged in 2024

Date	Course Title	Course Hours
2024/01/10	Carbon Reduction Strategies and Action Plans of Celxpert in Response to Global Net-Zero Emissions Trends	2
2024/03/29	Cybersecurity Defense and the Strategic Value of Team Cohesion	1
2024/04/25	Key Considerations in Reviewing Commercial Contracts	1
2024/09/25	Fostering Innovative Thinking – Knowledge Sharing on Artificial Intelligence	2
2024/10/09	Awareness Campaign on the Prevention of Workplace Sexual Harassment	1
2024/12/11	Accountable Execution and Effective Cross-Department Communication	6

5. Initiator Information: N/A.

6. General Manager, Deputy General Manager, Director of various departments and branch offices information

April 21, 2025

Job Title	Name	Gender	Nationality	Date of appointment	Shareholding		Shares held by spouse and minor children		Holding shares in other people's names		Main educational and career background	Current positions held in other companies	Manager with spouse or relatives within two degrees of relationship			Situation of managers acquiring employee stock option certificates	Note
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job Title	Name	Relation		
General Manager	Shih-Ming Huang (Note 1)	Male	R.O.C.	2015.03.12	2,936,194	3.13%	—	—	1,289,657	1.37%	- General Manager, AUDIX CORPORATION - Engineering Manager, Purchasing Manager, and Deputy Director of Business, Compal Electronics, Inc. - Master of Electrical Engineering, Georgia Institute of Technology, USA	- General Manager of the Company - Chairman, Celxpert Holdings Ltd. (BVI) - Director, PT.Celxpert Energy Indonesia - Chairman, Celxpert Energy (HK) Ltd. - Chairman, Advance Smart Industrial Ltd. (BVI) - Chairman, Celxpert (Kunshan) Energy Co.,Ltd. - Chairman, Celxpert Energy Corporation (Changchun) - Chairman of Celxpert Energy Corporation (Nantong)	Deputy General Manager	Ching-Jung Huang	Father and daughter	None	None
Chief Financial Officer	Chien-Yu Lin	Male	R.O.C.	2021.07.16	—	—	—	—	—	—	- Chief Financial Officer, YEM CHIO CO., LTD. - Drexel University, Pennsylvania, USA - MBA	- Supervisor of Celxpert (Kunshan) Energy Co.,Ltd. - Supervisor of Celxpert Energy Corporation (Nantong) - Legal Representative of Keelgoal Energy Co., Ltd.	None	None	None	None	None
Senior Deputy General Manager of General Manager Office	Cheng-Yang Tsai	Male	R.O.C.	2020.03.13	—	—	—	—	—	—	- Research and Development Manager at UMAX Computer Corporation - Researcher at Industrial Technology Research Institute - Master's degree in Electronical and Control Engineering from National Yang Ming Chiao Tung University	Legal Representative of Keelgoal Energy Co., Ltd.	None	None	None	None	None
Deputy General Manager of General Manager Office	Ching-Jung Huang	Female	R.O.C.	2020.05.08	193,780	0.21%	355	0.0%	300,920	0.32%	- Deputy General Manager, Celxpert Energy Corporation - Chairman of Kaiseng Investment Co. - Department of Nuclear Science, National Tsing Hua University	- Deputy General Manager of the Company - Director of PT.Celxpert Energy Indonesia - Director of Celxpert Energy Corporation (Changchun) - Chairman of Keelgoal Energy Co., Ltd. - Independent Director of CoreMax Corporation.	General Manager	Shih-Ming Huang	Father and daughter	None	None
Associate General Manager of General Manager Office	Chun-Che Hsu	Male	R.O.C.	2023.03.10	—	—	—	—	—	—	- Manager of Project Development Department, Celxpert Energy Corporation Technology Co., Ltd. - Director of Product Development Department, LuxNet Corp. - Product Development Manager, AUO Corporation - Master of Department of Chemistry, National Taiwan University	Director of Celxpert (Kunshan) Energy Co.,Ltd.	None	None	None	None	None

Note 1: When the general manager or equivalent (the highest managerial personnel) and the chairman of the board are the same person, spouses or first-degree relatives, the relevant information should be disclosed regarding the reasons, rationality, necessity, and corresponding measures (such as increasing the number of independent directors and ensuring that more than half of the directors are not concurrently serving as employees or managerial personnel):

The chairman of the board of the Company also serves as the general manager. This is to take into account the chairman's familiarity with the industry to which the Company belongs, which can improve operational efficiency and decision-making execution. However, at present, more than half of the directors of the Company do not concurrently serve as employees or managerial personnel of the Company. The Company has elected an independent director at the 2023 shareholders' meeting to enhance the functions of the Board of Directors and strengthen its supervisory role.

2.2 Compensation for Directors, Supervisors, General Managers, and Deputy General Managers

(1) Remuneration of Directors (including Independent Directors)

NT\$(thousand) / Shares (thousand)

Job Title	Name	Remuneration of Directors								The proportion of the total of A, B, C, and D to the after-tax net income		Remuneration Received as an Employee								The total amount of A, B, C, D, E, F, and G as a percentage of the net income after tax		Whether or not received remuneration from subsidiaries or investee companies outside the Company
		Compensation (A)		Retirement pay		Director remuneration (C)		Business execution expenses (D)				Salary, bonuses, and special allowances, etc. (E)		Retirement pay (F)		Employee remuneration (G)						
		The Company	All companies listed in financial reports	The Company	All companies listed in financial reports	The Company	All companies listed in financial reports	The Company	All companies listed in financial reports	The Company	All companies listed in financial reports	The Company	All companies listed in financial reports	The Company	All companies listed in financial reports	The Company		All companies listed in financial reports		The Company	All companies listed in financial reports	
																Cash amount	Stock amount	Cash amount	Stock amount			
Chairman	Shih-Ming Huang	—	—	—	—	—	178	84	93	84 -0.09%	271 -0.28%	6,131	7,427	108	108	—	—	—	—	6,323 -6.43%	7,806 -7.93%	None
Director	Yung-Tsai Chen (Note 1)																					
Director	Chien-Ting Chen																					
Director	Kaiseng Investment Co. Ching-Jung Huang																					
Director	Hao Bai Limited: Jung-Chou Lee (Note 1)																					
Director	KangHuei Investment Co., Ltd. Ling-Ju Huang (Note 1)																					
Director	KangHuei Investment Co., Ltd.: Wen-Hung Huang																					
Director	KangHuei Investment Co.,:Chung-Kuei Hsu																					
Independent Director	Wei-Hung Lin	360	360	—	—	—	—	66	66	426 -0.43%	426 -0.43%	—	—	—	—	—	—	—	426 -0.43%	426 -0.43%	None	
Independent Director	Chih-Wei Tsai																					
Independent Director	Jan-Yan Lin																					
Independent Director	Ming-Xiu Cheng																					
1. Please specify the policy, system, standards, and structure for the remuneration of independent directors, and describe the correlation between their duties, risks, time commitment, and the amount of remuneration to be paid. The remuneration for independent directors in our company is determined in accordance with Article 28 of our company's bylaws. If there are accumulated losses from previous years, they should be compensated first in the year when profits are generated, before any allocation is made for directors' remuneration and employee compensation. The remaining balance is then allocated based on the aforementioned proportion. The determination of remuneration for independent directors is linked to the evaluation results of director performance, which include their level of involvement and contribution to the Company's operations, consideration of the Company's performance and industry standards. These results are submitted to the Compensation Committee for review and approved by the Board of Directors. 2. In addition to the disclosure in the above table, the remuneration received by the directors of the Company for their services (such as serving as consultants for the parent company/all companies in the financial report/reinvestment enterprises that are not employees, etc.) in the most recent year: None																						

Remuneration Ranges

Remuneration Ranges for directors of the Company	Name of Director (including independent directors)			
	Total amount of the first four salary scales (A+B+C+D)		Total amount of the first seven salary scales (A+B+C+D+E+F+G)	
	The Company	All companies listed in financial reports (H)	The Company	All companies listed in financial reports (I)
Below NT\$1,000,000	Shih-Ming Huang Yung-Tsai Chen Chien-Ting Chen KangHuei Investment Co., Ltd. Hao Bai Limited Kaiseng Investment Co. Chih-Wei Tsai Wei-Hung Lin Jan-Yan Lin Ming-Xiu Cheng	Shih-Ming Huang Yung-Tsai Chen Chien-Ting Chen KangHuei Investment Co., Ltd. Hao Bai Limited Kaiseng Investment Co. Chih-Wei Tsai Wei-Hung Lin Jan-Yan Lin Ming-Xiu Cheng	Yung-Tsai Chen Chien-Ting Chen KangHuei Investment Co., Ltd. Hao Bai Limited Chih-Wei Tsai Wei-Hung Lin Jan-Yan Lin	Yung-Tsai Chen Chien-Ting Chen KangHuei Investment Co., Ltd. Hao Bai Limited Chih-Wei Tsai Wei-Hung Lin Jan-Yan Lin
NT\$1,000,000 (inclusive) to NT\$2,000,000 (exclusive)	—	—	—	—
NT\$2,000,000 (inclusive) to NT\$3,500,000 (exclusive)	—	—	Shih-Ming Huang Kaiseng Investment Co.	Kaiseng Investment Co.
NT\$3,500,000 (inclusive) to NT\$5,000,000 (exclusive)	—	—	—	Shih-Ming Huang
NT\$5,000,000 (inclusive) to NT\$10,000,000 (exclusive)	—	—	—	—
NT\$10,000,000 (inclusive) to NT\$15,000,000 (exclusive)	—	—	—	—
NT\$15,000,000 (inclusive) to NT\$30,000,000 (exclusive)	—	—	—	—
NT\$30,000,000 (inclusive) to NT\$50,000,000 (exclusive)	—	—	—	—
NT\$50,000,000 (inclusive) to NT\$100,000,000 (exclusive)	—	—	—	—
Above NT\$100,000,000	—	—	—	—
Total	12 People	12 People	12 People	12 People

Note 1: Director Yung-Tsai Chen, corporate director Hao Bai Limited and its representative Jung-Chou Lee, as well as corporate director KangHuei Investment Co., Ltd. represented by Ling-Ju Huang, all stepped down following the full re-election of the Board at the shareholders' meeting held on June 13, 2024.

Note 2: The net loss after tax for 2024 individual financial statements and consolidated financial statements of the Company was NT\$98,413 thousand attributable to the parent company. In 2024, no director's remuneration and employee remuneration were proposed, which was approved by the Board of Directors.

(2) Remuneration of supervisors: The audit committee has been established, N/A.

(3) Remuneration of the general manager and deputy general manager:

NT\$(thousand) / Shares (thousand)														
Job Title	Name	Salary (A)		Retirement Pension (B)		Bonuses and special allowances (C)		Employee remuneration amount (D)				The proportion of the total of A, B, C, and D to the after-tax net income (%)		Whether or not received remuneration from subsidiaries or investee companies outside the Company
		The Company	All companies listed in financial reports	The Company	All companies listed in financial reports	The Company	All companies listed in financial reports	The Company (Note 3)		All companies listed in financial reports (Note 3)		The Company	All companies listed in financial reports	
								Cash amount	Stock amount	Cash amount	Stock amount			
General Manager	Shih-Ming Huang	8,974	10,270	350	350	8,720	8,720	—	—	—	—	18,044 -18.33%	19,340 -19.65%	None
Senior Deputy General Manager	Cheng-Yang Tsai													
Deputy General Manager	Chin-Te Chen (Note 1)													
Deputy General Manager	Ching-Jung Huang													
Chief Financial Officer	Chien-Yu Lin													

Remuneration Ranges

Remuneration Ranges for General Manager and Deputy General Manager of the Company	Names of General Manager and Deputy General Manager	
	The Company	All companies listed in financial reports
Below NT\$1,000,000	Chin-Te Chen	Chin-Te Chen
NT\$1,000,000 (inclusive) to NT\$2,000,000 (exclusive)	—	—
NT\$2,000,000 (inclusive) to NT\$3,500,000 (exclusive)	Shih-Ming Huang, Ching-Jung Huang, Chien-Yu Lin	Ching-Jung Huang, Chien-Yu Lin
NT\$3,500,000 (inclusive) to NT\$5,000,000 (exclusive)	—	Shih-Ming Huang
NT\$5,000,000 (inclusive) to NT\$10,000,000 (exclusive)	Cheng-Yang Tsai	Cheng-Yang Tsai
NT\$10,000,000 (inclusive) to NT\$15,000,000 (exclusive)	—	—
NT\$15,000,000 (inclusive) to NT\$30,000,000 (exclusive)	—	—
NT\$30,000,000 (inclusive) to NT\$50,000,000 (exclusive)	—	—
NT\$50,000,000 (inclusive) to NT\$100,000,000 (exclusive)	—	—
Above NT\$100,000,000	—	—
Total	5 people	5 people

Note 1: Deputy General Manager Chin-Te Chen has retired as of March 27, 2024.

Note 2: The net loss after tax for 2024 individual financial statements and consolidated financial statements of the Company was NT\$98,413 thousand attributable to the parent company.

In 2024, no director's remuneration and employee remuneration were proposed, which was approved by the Board of Directors.

(4) Allocation of Employee Remuneration to Managerial Personnel and Their Names

Unit: New Taiwan Dollars (Thousand)

	Job Title	Name	Stock amount	Cash amount	Total	Percentage of Total after-tax net income
Managerial Personnel	General Manager	Shih-Ming Huang	—	—	—	—%
	Senior Deputy General Manager	Cheng-Yang Tsai				
	Deputy General Manager (Note 2)	Chin-Te Chen				
	Deputy General Manager	Ching-Jung Huang				
	Chief Financial Officer	Chien-Yu Lin				
	Associate	Chun-Che Hsu				

Note 1: The net loss after tax for 2024 individual financial statements and consolidated financial statements of the Company was NT\$98,413 thousand attributable to the parent company. In 2024, no director's remuneration and employee remuneration were proposed, which was approved by the Board of Directors.

Note 2: Deputy General Manager Chin-Te Chen has retired as of March 27, 2024.

(5) If any of the following circumstances occur in a company, the remuneration of individual directors and supervisors should be disclosed:

- A. If there has been a post-tax loss in individual or separate financial reports in any of the last three years, the remuneration of individual directors and supervisors shall be disclosed. However, if there has been a post-tax net profit in the most recent year's individual or separate financial reports, and it is sufficient to make up for accumulated losses: None.
- B. If the percentage of shares held by a director is insufficient for three consecutive months in the most recent year, the remuneration of the individual director shall be disclosed. If the percentage of shares held by a supervisor is insufficient for three consecutive months in the most recent year, the remuneration of the individual supervisor shall be disclosed: None
- C. If the average pledge ratio of directors and supervisors in any three months of the most recent year is greater than 50%, the remuneration of individual directors and supervisors whose pledge ratio exceeds 50% in each of those months shall be disclosed: None
- D. If all directors and supervisors receive director and supervisor remuneration from all companies in the financial report, and it exceeds 2% of the after-tax net profit, and the remuneration received by individual directors or supervisors exceeds NT\$15 million, the remuneration of the individual director or supervisor shall be disclosed: None

- E. Listed and OTC companies are at the last level in the corporate governance evaluation results in the most recent year, or have changed trading methods, suspended trading, delisted from the market, or have been approved by the Corporate Governance Evaluation Committee as not subject to evaluation until the publication date of the annual report: None.
- F. If the average annual salary of full-time employees who do not hold executive positions in the most recent year of a listed or OTC company is less than NT\$500,000: None.
- (6) The Company and all the companies in the consolidated financial statements shall analyze and explain the total amount of remuneration paid to the directors, supervisors, general managers, and deputy general managers of the Company in the latest two years as a percentage of the tax net profit of individual or separate financial reports. It shall also explain the policy, standards and combination of remuneration, the procedure for determining remuneration, and the relationship with business performance and future risks:
- A. The total amount of remuneration paid to directors, supervisors, general managers, and deputy general managers as a percentage of the tax net profit of individual or separate financial reports.

Unit: NT\$ thousand; %

Item	Proportion of total remuneration to after-tax net income			
	2023		2024	
	The Company	Consolidated financial statements of the Company	The Company	Consolidated financial statements of the Company
Director	-1.94%	-2.25%	-6.43%	-7.93%
Independent Director	-0.15%	-0.15%	-0.43%	-0.43%
Supervisor	Establishing an audit committee, not applicable.			
General Manager and Deputy General Manager	-4.64%	-5.03%	-18.33%	-19.65%

- B. Policies, standards, and combinations for remuneration benefits, procedures for setting remuneration, and the relationship between operational performance and future risks.
- (a) Policies, standards, and combinations for remuneration benefits
- i. As provided in Article 22 of the Company's Articles of Association, Directors shall be appropriated with the remuneration which is authorized and determined by the Board of Directors based on their contribution to the Company's operations, and by taking into account the common level of payment in the industry; if there is a profit in the annual final account, up to 3% of the profit shall be allocated to the Directors for that year in accordance with Article 28 of the Company's Articles of Association. The Company regularly evaluates the performances of the directors based on the "Rules for Performance

Evaluation of Board of Directors" The evaluation references indicators such as the grasp of the Company's goals and missions, the understanding of the directors' responsibilities, participation in the Company's operations, internal relationship management and communication, and personal professionalism and continuing education, among others. The remuneration for the directors is approved according to the "Rules for Director's Remuneration Distribution" of the Company, and the related performance evaluation and remuneration reasonableness are reviewed by the Compensation Committee and the Board of Directors.

- ii. The remuneration for the Company's managers is evaluated according to the Rules for Salary Management of the Company and clearly defines various work allowances and bonuses to reward employees for their hard work. Relevant bonuses are also given based on the Company's annual operating performance, financial status, operating conditions and individual work performance. If there is a profit in the annual final account, 3% to 12% of the profit shall be allocated to the remuneration for the managers for that year in accordance with Article 28 of the Company's articles of association. The performance evaluation results carried out by the Company in accordance with the "Performance Appraisal Management Measures" are used as a reference for the issuance of manager bonuses. Manager performance evaluation indicators are divided into:
 1. Financial indicators: It is evaluated according to each business group department's contribution to the Company's profits in the Company's profit and loss statement for management, and taking into account the manager's goal achievement rate;
 2. Non-financial indicators: The implementation of the Company's core values and operational management capabilities, and participation in sustainable operations are the two major parts used to calculate remuneration for the remuneration for operating performance, and the remuneration system will be reviewed at any time based on the actual operating conditions and relevant laws and regulations.

- iii. The combination of remuneration paid by the Company is determined in accordance with the Compensation Committee Charter, including cash remuneration, stock options, dividends, retirement benefits or severance benefits, various allowances, and other measures with substantial incentives; its scope is consistent with the relevant standards for remuneration of directors and managers in the standards for matters that should be listed in the annual report of publicly issued companies.
- (b) Procedures for setting remuneration:
 - i. To regularly evaluate the remuneration of directors and managers, the evaluation results are based on the Company's "Rules for Performance Evaluation of Board of Directors and Functional Committees " and the "Performance Appraisal Management Measures " applicable to managers and employees. In addition, the remuneration of the chairman and general manager is determined with reference to industry remuneration standards and the Company's operating performance indicators and is reviewed by the Compensation Committee and submitted to the Board of Directors for approval. To fully demonstrate the achievement of operating performance indicators, the chairman's performance measurement indicators are formulated based on the Company's annual operating indicator results related to operations, governance, and financial results. The evaluation scope includes pre-tax net profit, credit rating, customer satisfaction, corporate governance evaluation, and other indicators; The performance measurement and evaluation scope of the general manager includes operational safety management, supervising the execution of financial plans, revenue management, promoting the autonomy of maintenance capabilities, strengthening internal control, implementing quality assurance and management and other performance goals related to major work responsibilities.

- ii. The performance appraisal and reasonableness of remuneration of the Company's directors and managers are regularly evaluated and reviewed by the Compensation Committee and the Board of Directors every year. In addition to referring to the individual's performance achievement rate and contribution to the Company, as well as the Company's overall operating performance, future industry risks and development trends, and timely review of the remuneration system at any time based on actual operating conditions and relevant laws, the Company also comprehensively considers the current corporate governance trends, reasonable remuneration will be given to balance the Company's sustainable operation and risk control.

The actual amount of remuneration paid to directors and managers in 2024 was reviewed by the Compensation Committee and approved by the Board of Directors.

(c) Relationship between operational performance and future risks:

- i. The review of payment standards and systems related to the Company's remuneration policy primarily considers the Company's overall operating conditions. Payment standards are determined based on performance achievement rates and contributions to enhance the effectiveness of the Board of Directors and management departments. The Company also benchmarks industry standards to ensure that its management remuneration remains competitive, thereby retaining exceptional management talent.
- ii. The performance goals for the Company's managers are integrated with "risk control" to ensure that potential risks within their scope of responsibility are managed and mitigated effectively. Ratings are based on actual performance and are linked to relevant human resources policies and salary remuneration structures. Significant decisions by the Company's management are made after balancing various risk factors. The effectiveness of these decisions is reflected in the Company's profitability, thus aligning management remuneration with risk control performance.
- iii. The remuneration paid to directors, general managers and deputy general managers by the Company and its subsidiaries includes long-term rewards. The payment is in the form of cash capital increase and employee stock subscription. Its actual value is related to the future stock price, which means that they share future operating risks together with the Company.

2.3 The Status of Corporate Governance

1. Board of Directors Operations:

As of the date of the annual report publication, the Board of Directors has held 7 meetings (A) from January 1, 2024 to April 21, 2025, with the attendance of directors as follows:

Job Title	Name (Note1)	Actual Attendance (B)	By Proxy	Actual Attendance Rate 【 B/A 】	Notes (Note 2)
Chairman	Shih-Ming Huang	7	0	100.00%	
Director	Yung-Tsai Chen	1	1	50.00%	Stepped down following the re-election on June 13, 2024; was expected to attend 2 meetings during the term.
Director	Chien-Ting Chen	7	0	100.00%	
Director	Representative of KangHuei Investment Co., Ltd.: Ling-Ju Huang	2	0	100.00%	Stepped down following the re-election on June 13, 2024; was expected to attend 2 meetings during the term.
Director	Representative of KangHuei Investment Co., Ltd.: Wen-Hung Huang	5	0	100.00%	Newly appointed following the re-election on June 13, 2024; was expected to attend 5 meetings during the term.
Director	Representative of KangHuei Investment Co., Ltd.: Chung-Kuei Hsu	5	0	100.00%	Newly appointed following the re-election on June 13, 2024; was expected to attend 5 meetings during the term.
Director	Representative of Kaiseng Investment Co.: Ching-Jung Huang	6	1	85.71%	
Director	Representative of Hao Bai Limited: Jung-Chou Lee	1	0	50.00%	Stepped down following the re-election on June 13, 2024; was expected to attend 2 meetings during the term.
Independent Director	Wei-Hung Lin	7	0	100.00%	
Independent Director	Jan-Yan Lin	7	0	100.00%	
Independent Director	Chih-Wei Tsai	6	1	85.71%	
Independent Director	Ming-Xiu Cheng	6	1	85.71%	

Note 1: For directors and supervisors who are legal persons, the names of the shareholders of the legal person and the names of their representatives shall be disclosed.

Note 2:

- (1) If a director or supervisor resigns before the end of the year, the date of resignation should be noted in the remarks column, and the actual attendance rate (%) should be calculated based on the number of board meetings held during their tenure and their actual attendance rate.
- (2) If a director or supervisor is re-elected before the end of the year, both the new and old directors or supervisors should be listed, and the remarks column should indicate whether the director or supervisor is newly appointed, re-elected, or continued, as well as the date of the election. The actual attendance rate (%) should be calculated based on the number of board meetings held during their tenure and their actual attendance rate.

Other matters to be recorded:

1. If the operation of the Board of Directors meets any of the following circumstances, the date, session, content of the motion, opinions of all independent directors, and the Company's handling of the opinions of independent directors should be stated:

- (1) Items listed in Article 14-3 of the Securities Exchange Act:
- (2) Other board resolutions opposed or reserved by independent directors and recorded or in written statements, in addition to the above items.

Board of Directors	Agenda and Follow-up Processing	Items Listed in Securities and Exchange Act §14-3	Independent Director's Objections or Reservations
The 13th Meeting of the 9th Session 2024.03.15	(1) 2023 Business Report and Financial Reports for the Company.		None
	(2) 2023 Loss Off-Setting Proposals of the Company.		None
	(3) 2023 Cash Dividend Distribution for the Company.		None
	(4) Discussion of 2023 Remuneration Distribution for the Employees and Directors of the Company.		None
	(5) Discussion of the Annual Bonus Distribution for the Managers of the Company.		None
	(6) Discussion of 2023 Performance Appraisal Evaluation and 2024 Performance Indicator and Remuneration for the Managers of the Company.		None
	(7) 2024 Business Plan of the Company.		None
	(8) 2023 Internal Control System Declaration Statement of the Company.	V	None
	(9) Matters related to the 2024 Shareholders' Meeting of the Company and Acceptance of Shareholder Proposals for the Company.		None
	(10) The Nomination Period, Number of Seats to be Elected, and Nomination Acceptance Place for the Election of the 10th Board of Directors of the Company.		None
	(11) Approval of the Director (Including Independent Directors) Candidate List Nominated by the Board of Directors and Resolve for the Candidate Qualifications.		None
	(12) Lift of the Non-Compete Restriction for the Directors of the Company.	V	None
	(13) Lift of the Non-Compete Restriction for the Managers of the Company.		None
	(14) Renewal of Credit Line with Banks for the Company.		None
	(15) The Appointment of the CPA and Accounting Fee	V	None
	(16) Amendment of the "Audit Committee Charter" of the Company.		None
	(17) Amendment of the "Rules for Board of Directors Meetings" of the Company.		None
	(18) Amendment of the "Operation Procedures for Trading with Stakeholders Management" and rename to "Rules Governing Financial and Business Matters Between the Company and its Related Parties"		None
	(19) Abandonment of the Participation in 2024 First Cash Capital Increase Plan by the Company's Subsidiary Keelgoalal Energy Co., Ltd. in Response to Keelgoalal Energy's Future Application for the Stock Listing Plan and Relevant Equity Dispersion Operations. The Number of Shares Abandoned has Been Offered to the Company's Shareholders for Preferential Subscription Based on Their Shareholding Ratio.		None

Independent Director's Opinion: None.			
Company's Handling of Independent Director's Opinion: None.			
Resolution Result: All attending directors had no objections and the proposal was passed.			
The 14th Meeting of the 9th Session 2024.05.10	(1)	2024 Q1 Financial Report of the Company.	None
	(2)	Renewal of Credit Line with Banks for the Company.	None
	(3)	Provision of the Endorsement Guarantee for Celxpert Energy Corporation (Kunshan) by the Company.	V None
Independent Director's Opinion: None.			
Company's Handling of Independent Director's Opinion: None.			
Resolution Result: All attending directors had no objections and the proposal was passed.			
The 1st Meeting of the 10th Session 2024.06.13		Proposal for Election of the Chairman of the Board	None
Independent Director's Opinion: None.			
Company's Handling of Independent Director's Opinion: None.			
Resolution Result: All attending directors had no objections and the proposal was passed.			
The 2nd Meeting of the 10th Session 2024.07.12	(1)	The appointment of members to the 6th Compensation Committee.	None
	(2)	Appointment of Members to the 2nd Sustainability Committee	None
	(3)	Lift of the Non-Compete Restriction for the Managers of the Company.	V None
Independent Director's Opinion: None.			
Company's Handling of Independent Director's Opinion: None.			
Resolution Result: All attending directors had no objections and the proposal was passed.			
The 3rd Meeting of the 10th Session 2024.08.09	(1)	2024 Q2 Financial Report of the Company.	None
	(2)	Renewal of Credit Line with Banks for the Company.	None
	(3)	Provision of the Endorsement Guarantee for 2nd Tier Subsidiary Celxpert Energy Corporation (Kunshan) by the Company.	V None
	(4)	Provision of the Endorsement Guarantee for 2nd Tier Subsidiary Celxpert Energy Corporation (Nantong) by the Company.	V None
	(5)	Proposal for Intercompany Loan to 2nd Tier Subsidiary Celxpert (Nantong) Energy Corporation Ltd.	V None
	(6)	Provision of the Endorsement Guarantee for Keelgoalal Energy Co., Ltd.	V None
	(7)	Construction Plan of the Company's 2nd Tier Subsidiary Celxpert (Nantong) Energy Corporation Ltd.	None
	(8)	Discussion on Performance Bonus Distribution for Employees and Managerial Staff	None
	(9)	Reviewed the preparation status of the 2023 Sustainability Report.	None
Independent Director's Opinion: None.			
Company's Handling of Independent Director's Opinion: None.			
Resolution Result: All attending directors had no objections and the proposal was passed.			

	The 4th Meeting of the 10th Session 2024.11.08	(1) 2024 Q3 Financial Report of the Company.		None
		(2) Renewal of Credit Line with Banks for the Company.		None
		(3) Provision of the Endorsement Guarantee for 2nd Tier Subsidiary Celxpert (Kunshan) Energy Co.,Ltd. and Celxpert Energy Corporation (Nantong) by the Company.	V	None
		(4) Revisions to the Company's "Internal Control System" and "Internal Audit Implementation Rules."	V	None
		(5) Proposal for the adoption of the Company's "Procedures for the Preparation and Submission of Sustainability Reports."	V	None
		(6) Proposal for the revision of the Company's "Sustainable Development Best Practice Principles."		None
		(7) 2025 Audit Plan of the Company.		None
		(8) Amendment of the General Principle of the Non-Assurance Service Pre-Approval Policy revise Company.	V	None
	Independent Director's Opinion: None.			
	Company's Handling of Independent Director's Opinion: None.			
	Resolution Result: All attending directors had no objections and the proposal was passed.			
	The 5th Meeting of the 10th Session 2025.03.14	(1) 2024 Business Report and Financial Reports for the Company.		None
		(2) 2024 Loss Off-Setting Proposals of the Company.		None
		(3) 2024 Cash Dividend Distribution for the Company.		None
		(4) Proposed amendment to the Company's Articles of Incorporation.		None
		(5) Definition of the scope of entry-level employees.		None
		(6) Proposed amendment to the Company's "Procedures for Lending of Funds to Others."	V	None
		(7) Proposed amendment to the Company's "Procedures for Making of Endorsements/Guarantees."	V	None
		(8) Proposed amendment to the Company's "Rules for Director's Remuneration Distribution"		None
		(9) Discussion of 2024 Remuneration Distribution for the Employees and Directors of the Company.		None
		(10) Discussion on the Company's Director Remuneration Distribution for 2025		None
		(11) Discussion of the Annual Bonus Distribution for the Managers of the Company.		None
		(12) Discussion on the Company's Managerial Performance Evaluation Indicators for 2024		None
		(13) 2025 Business Plan of the Company.		None
		(14) 2024 Internal Control System Declaration Statement of the Company.	V	None
		(15) Matters related to the 2025 Shareholders' Meeting of the Company and Acceptance of Shareholder Proposals for the Company.		None
		(16) The Appointment of the CPA and Accounting Fee	V	None
		(17) Proposal to Cancel Endorsement and Guarantee for Subsidiary Keelgoal Energy Co., Ltd.	V	None

	(18) Proposal to Set the Record Date for the Conversion of the Company’s Third Domestic Unsecured Convertible Corporate Bonds into Common Shares		None
	(19) Renewal of Credit Line with Banks for the Company.		None
Independent Director's Opinion: None.			
Company's Handling of Independent Director's Opinion: None.			
Resolution Result: All attending directors had no objections and the proposal was passed.			

2. The implementation status of directors' recusal from interested party transactions shall specify the name of the director, the content of the resolution, the reason for recusal, and the participation in the vote:

The 13th Meeting of the 9th Session 2024.03.15	Discussion of the Remuneration Distribution for Directors.	Shih-Ming Huang, Chairman of Directors Ching-Jung Huang, Director	Concurrently serving as General Manager of the Company. Concurrently serving as Deputy General Manager of the Company.
Meeting proceedings: 【Shih-Ming Huang, Chairman of Directors】 who also serves as General Manager of the Company, recused himself from the discussion and vote due to his conflict of interest. Wei-Hung Lin, an independent director, temporarily acted as a proxy to discuss and vote on the case. 【Ching-Jung Huang, Director】 who also serves as Deputy General Manager of the Company, recused herself from the discussion and vote due to her conflict of interest.			
Independent Director Opinion: Independent directors Wei-Hung Lin, Chih-Wei Tsai, Jan-Yan Lin and Ming-Xiu Cheng (attended by proxy through Independent Director Chih-Wei Tsai) all expressed agreement.			
Resolution Result: Except for the directors with conflicts of interest who recused themselves from the vote, after the acting chairman consulted with the other attending directors, the resolution was passed with no objections.			
The 13th Meeting of the 9th Session 2024.03.15	Lift of the Non-Compete Restriction for the Managers of the Company.	Shih-Ming Huang, Chairman of Directors Ching-Jung Huang, Director	Concurrently serving as General Manager of the Company. Concurrently serving as Deputy General Manager of the Company.
Meeting proceedings: 【Shih-Ming Huang, Chairman of Directors】 who also serves as General Manager of the Company, recused himself from the discussion and vote due to his conflict of interest. Wei-Hung Lin, an independent director, temporarily acted as a proxy to discuss and vote on the case. 【Ching-Jung Huang, Director】 who also serves as Deputy General Manager of the Company, recused herself from the discussion and vote due to her conflict of interest.			
Independent Director Opinion: Independent directors Wei-Hung Lin, Chih-Wei Tsai, Jan-Yan Lin and Ming-Xiu Cheng (attended by proxy through Independent Director Chih-Wei Tsai) all expressed agreement.			
Resolution Result: Except for the directors with conflicts of interest who recused themselves from the vote, after the acting chairman consulted with the other attending directors, the resolution was passed with no objections.			
The 2nd Meeting of the 10th Session 2024.07.12	The appointment of members to the 6th Compensation Committee.	Independent Director Wei-Hung Lin Independent Director Jan-Yan Lin	Independent Directors of the Company
Meeting proceedings: 【Independent Director Wei-Hung Lin】 I have a conflict of interest with this case and will recuse myself from the discussion and voting. 【Independent Director Jan-Yan Lin】 I have a conflict of interest with this case and will recuse myself from the discussion and voting.			

Independent Director Opinion: Independent directors Ming-Xiu Cheng, Chih-Wei Tsai (attended by proxy through Independent Director Ming-Xiu Cheng) all expressed agreement.			
Resolution Result: Except for the directors with conflicts of interest who recused themselves from the vote, after the chairman consulted with the other attending directors, the resolution was passed with no objections.			
The 2nd Meeting of the 10th Session 2024.07.12	Appointment of Members to the 2nd Sustainability Committee	Shih-Ming Huang, Chairman of Directors Ching-Jung Huang, Director Independent Director Jan-Yan Lin	Directors of the Company (including independent directors)
Meeting proceedings: 【Shih-Ming Huang, Chairman of Directors】 I have a familial relationship with Ching-Jung Huang within the second degree of kinship and will recuse myself from the discussion and vote due to his conflict of interest. Wei-Hung Lin, an independent director, temporarily acted as a proxy to discuss and vote on the case. 【Director Ching-Jung Huang】 I have a conflict of interest with this case and will recuse myself from the discussion and voting. 【Independent Director Jan-Yan Lin】 I have a conflict of interest with this case and will recuse myself from the discussion and voting.			
Independent Director Opinion: Independent directors Wei-Hung Lin, Ming-Xiu Cheng, Chih-Wei Tsai (attended by proxy through Independent Director Ming-Xiu Cheng) all expressed agreement.			
Resolution Result: Except for directors and independent directors with conflicts of interest who recused themselves from the discussion and vote, after the acting chairman consulted with the other attending directors and independent directors and received no objections, the resolution was passed.			
The 2nd Meeting of the 10th Session 2024.07.12	Lift of the Non-Compete Restriction for the Managers of the Company.	Shih-Ming Huang, Chairman of Directors Ching-Jung Huang, Director	Concurrently serving as General Manager of the Company. Concurrently serving as Deputy General Manager of the Company.
Meeting proceedings: 【Shih-Ming Huang, Chairman of Directors】 who also serves as General Manager of the Company, recused himself from the discussion and vote due to his conflict of interest. Wei-Hung Lin, an independent director, temporarily acted as a proxy to discuss and vote on the case. 【Director Ching-Jung Huang, attended by proxy through Chairman of Directors Shih-Ming Huang】 I have a conflict of interest with this case and will recuse myself from the discussion and voting.			
Independent Director Opinion: Independent directors Wei-Hung Lin, Jan-Yan Lin, Ming-Xiu Cheng, Chih-Wei Tsai (attended by proxy through Independent Director Ming-Xiu Cheng) all expressed agreement.			
Resolution Result: Except for the directors with conflicts of interest who recused themselves from the vote, after the acting chairman consulted with the other attending directors, the resolution was passed with no objections.			
The 3rd Meeting of the 10th Session 2024.08.09	Discussion on Performance Bonus Distribution for Employees and Managerial Staff	Shih-Ming Huang, Chairman of Directors Ching-Jung Huang, Director	Concurrently serving as General Manager of the Company. Concurrently serving as Deputy General Manager of the Company.
Meeting proceedings: 【Shih-Ming Huang, Chairman of Directors】 who also serves as General Manager of the Company, recused himself from the discussion and vote due to his conflict of interest. Wei-Hung Lin, an independent director, temporarily acted as a proxy to discuss and vote on the case. Director Ching-Jung Huang, attended by proxy through Chairman of Directors Shih-Ming Huang			
Independent Director Opinion: Independent directors Wei-Hung Lin, Jan-Yan Lin, Chih-Wei Tsai, and Ming-Xiu Cheng all expressed agreement.			

Resolution Result: Except for the directors with conflicts of interest who recused themselves from the vote, after the acting chairman consulted with the other attending directors, the resolution was passed with no objections.			
The 4th Meeting of the 10th Session 2025.03.14	Discussion on the Company's Director Remuneration Distribution for 2025	All Members of the Board of Directors (including independent directors)	All Members of the Board of Directors (including independent directors)
Meeting proceedings: 【Moderator】 We will now proceed with the review of individual directors' remuneration. For this agenda item, the following directors have a personal interest: Chairman of Directors Shih-Ming Huang, Director Chien-Ting Chen, Corporate Director Representative Director Wen-Hung Huang, Corporate Director Representative Director Chung-Kuei Hsu, Corporate Director Representative Director Ching-Jung Huang, Independent Director Wei-Hung Lin, Independent Director Jan-Yan Lin, Independent Director Chih-Wei Tsai, and Independent Director Ming-Xiu Cheng, please recuse yourself from exercising voting rights when reviewing the remuneration of individual directors. 【Shih-Ming Huang, Chairman of Directors】 who also serves as General Manager of the Company, recused himself from the discussion and vote due to his conflict of interest. Wei-Hung Lin, an independent director, temporarily acted as a proxy to discuss and vote on the case. 【Director Ching-Jung Huang】 As the legal representative of a corporate director of the Company, I have a conflict of interest with this case and will recuse myself from the discussion and voting. 【Director Chien-Ting Chen】 As a director of the Company, I have a conflict of interest with this case and will recuse myself from the discussion and voting. 【Director Wen-Hung Huang】 As the legal representative of a corporate director of the Company, I have a conflict of interest with this case and will recuse myself from the discussion and voting. 【Director Chung-Kuei Hsu】 As the legal representative of a corporate director of the Company, I have a conflict of interest with this case and will recuse myself from the discussion and voting. 【Independent Director Wei-Hung Lin】 As an independent director of the Company, I have a conflict of interest with this case and will recuse myself from the discussion and voting. 【Independent Director Jan-Yan Lin】 As an independent director of the Company, I have a conflict of interest with this case and will recuse myself from the discussion and voting. 【Independent Director Chih-Wei Tsai】 As an independent director of the Company, I have a conflict of interest with this case and will recuse myself from the discussion and voting. 【Independent Director Ming-Xiu Cheng】 As an independent director of the Company, I have a conflict of interest with this case and will recuse myself from the discussion and voting.			
Independent Director Opinion: Independent directors Wei-Hung Lin, Jan-Yan Lin, Chih-Wei Tsai, and Ming-Xiu Cheng all expressed agreement.			
Resolution Result: Except for the directors with conflicts of interest who recused themselves from the discussion and the vote, after the acting chairman consulted with the other attending directors, the resolution was passed with no objections.			
The 4th Meeting of the 10th Session 2025.03.14	Discussion of the Annual Bonus Distribution for the Managers of the Company.	Shih-Ming Huang, Chairman of Directors Ching-Jung Huang, Director	Concurrently serving as General Manager of the Company. Concurrently serving as Deputy General Manager of the Company.

Meeting proceedings: 【Shih-Ming Huang, Chairman of Directors】 who also serves as General Manager of the Company, recused himself from the discussion and vote due to his conflict of interest. Wei-Hung Lin, an independent director, temporarily acted as a proxy to discuss and vote on the case. 【Director Ching-Jung Huang】 I have a conflict of interest with this case and will recuse myself from the discussion and voting.				
Independent Director Opinion: Independent directors Wei-Hung Lin, Jan-Yan Lin, Chih-Wei Tsai, and Ming-Xiu Cheng all expressed agreement.				
Resolution Result: Except for the directors with conflicts of interest who recused themselves from the vote, after the acting chairman consulted with the other attending directors, the resolution was passed with no objections.				
3. Listed and OTC companies shall disclose information on the evaluation cycle, period, scope, method, and evaluation content of their self-evaluation (or peer evaluation) of the Board of Directors, and fill in the Table 2 "(2) Implementation of Board Evaluation". Implementation of Board Evaluation: The Company conducted an internal board evaluation for the year 2024 in the first quarter of 2025 in accordance with the "Board of Directors Performance Evaluation Measures". In accordance with the measures, an external organization will be commissioned to conduct a board evaluation every three years. The evaluation results have been submitted to the 4th Meeting of the 10th Board of Directors of the Company and recorded on March 14, 2025.				
Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Annually	2024.01.01~2024.12.31	Conducted for the Board of Directors, individual board members, the Audit Committee, the Compensation Committee, as well as the Sustainability Committee.	This evaluation is conducted internally, using an internal questionnaire method, and the results are collected and statistically evaluated.	- The performance evaluation of the Board of Directors includes the following five aspects: ① Level of participation in company operations. ② Improving the quality of the board's decision-making. ③ Composition and structure of the Board of Directors. ④ Selection and ongoing education of directors. ⑤ Internal control. - The performance evaluation of individual board members includes the following six aspects: ① Understanding of company goals and tasks. ② Awareness of board responsibilities. ③ Level of participation in company operations. ④ Management and communication of internal relationships. ⑤ Professional expertise and ongoing education of directors. ⑥ Internal control. - The performance evaluation of functional committees includes the following five aspects: ① Level of participation in company operations. ② Understanding of functional committee responsibilities.

				③ Improving the quality of functional committee decision-making. ④ Composition and selection of functional committee members. ⑤ Internal control.
Evaluation Results: Board Performance Evaluation The Board's performance evaluation includes five dimensions with a total of 45 indicators. The average score is 93.7 points, and the evaluation result is "Excellent," indicating that the overall operation of the Board is still perfect, fulfilling its responsibilities to supervise and manage the Company and meeting the requirements of corporate governance. Performance Evaluation of Board Members The indicators include six dimensions with a total of 23 indicators. The average score is 94.81 points, and the evaluation result is "Excellent," indicating that the Board members have a good understanding of their participation in the Board and overall operation, possess the ability to perform their duties and contribute to enhancing the Board's effectiveness. Audit Committee Performance Evaluation The indicators include five dimensions with a total of 22 indicators. The average score is 91.48 points, and the evaluation result is "Excellent," indicating that the overall operation of the Audit Committee is in good condition and contributes to enhancing the Board's effectiveness. Evaluation of the Compensation Committee's Operation Performance The indicators include five dimensions with a total of 22 indicators. The average score is 96.21 points, and the evaluation result is "Excellent," indicating that the overall operation of the Compensation Committee is in good condition and contributes to enhancing the Board's effectiveness. Evaluation of the Sustainability Committee's Operation Performance The indicators include five dimensions with a total of 18 indicators. The average score is 93.06 points, and the evaluation result is "Excellent," indicating that the overall operation of the Sustainability Committee is in good condition, in compliance with corporate governance requirements, and contributes to enhancing the Board's effectiveness.				
★External Evaluation Results of the Company's Board of Directors Evaluation Organization: Investor Relations Institute Evaluation Committee Members: Commissioner Tsung-Lin Kuo, Commissioner Pi-Yun Hsu, Commissioner Shih-Hao Wang The evaluation organization and its commissioners have no business dealings with the Company and no circumstances that would compromise their independence.				
Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Once every three years	2022.01.01~2022.12.31	Board of Directors	The Company commissioned the external organization Investor Relations Institute to conduct this evaluation. The evaluation included a questionnaire distributed to all Board members and follow-up in-depth interviews. A comprehensive assessment report was prepared based on survey data and interview insights.	The performance evaluation of the Board of Directors includes the following five aspects: (1) Board Composition and Professional Development: Topics included board structure, diversity, continuing education, and director training plans. (2) Quality of Board Decision-Making: Topics included the adequacy and timeliness of information provided to the Board, meeting participation, meeting frequency, and time allocation. (3) Effectiveness of Board Operations: Topics included internal relationship management and communication, directors' engagement in corporate operations, and communications between the Board and auditors. (4) Internal Control and Risk Management: Topics included directors' oversight of

				operational risks, formulation and implementation of internal regulations, supervision of internal control effectiveness, and availability of internal/external reporting channels. (5) Board Engagement in Corporate Social Responsibility: Topics included board attention to ESG issues, stakeholder communication channels, ESG-related initiatives, and governance mechanisms.
Evaluation Results: ★Questionnaire Survey 1. Respondents: All members of the Board of Directors 2. Response Rate: 100% 3. Scoring Method: A 5-point Likert scale, where 1 indicates "strongly disagree" (not met) and 5 indicates "strongly agree" (fully met). 4. Evaluation Category Average Score (1) Board Composition and Professional Development: 4.43 (2) Quality of Board Decision-Making: 4.63 (3) Effectiveness of Board Operations: 4.54 (4) Internal Control and Risk Management: 4.49 (5) Board Engagement in CSR: 4.54 ★On-site interview 1. Interview Dates: January 10 and 12, 2023 2. Method: Online interviews 3. Interviewees: Chairman and General Manager Shih-Ming Huang Independent Director (Convener of the Audit Committee) Wei-Hung Lin Chief Financial Officer Chien-Yu Lin Manager of the Accounting Department and Head of Corporate Governance Dai-Ling Lin Audit Director Shu-Ching Chen 4. Conclusion and Recommendations Based on the Company's meeting minutes, internal policies, supplemental documents, and publicly disclosed information, combined with survey and interview results, the evaluation report includes the following recommendations for internal reference and continuous improvement. Recommendations: (1) Establish a functional "Sustainability Committee" (2) Prepare an annual Sustainability Report and obtain third-party assurance (3) Appoint an additional Independent Director (4) Develop a formal Corporate Governance Best Practice Principles (5) Create a succession plan for Board members and key management personnel (6) Set up a dedicated unit or personnel (full-time or part-time) for promoting business integrity and regularly report to the Board (7) Develop an intellectual property management plan linked to business objectives (8) Implement a Board-approved risk management policy and procedures (9) Evaluate the independence and suitability of external auditors with reference to Audit Quality Indicators (AQIs) (10) Hold at least two investor conferences annually (11) Enhance the disclosure of information on the corporate website (12) Appoint a Chief Information Security Officer, establish a dedicated information security unit and team. (13) Provide English versions of the "Shareholders' Meeting Handbook and Supplementary Materials," the "Annual Shareholders' Meeting Report," and the "Annual Financial Report."				

4. Goals for strengthening the functions of the Board of Directors in the current year and the most recent year (such as establishing an audit committee, improving information transparency, etc.) and their implementation Evaluate
- (1) In order to strengthen the functions of the Board of Directors, in addition to the Compensation Committee already established, the Company also voluntarily set up an audit committee on 2018.06.14 to assist the Board of Directors in performing its supervisory duties.
 - (2) In order to promote good corporate governance, the Board of Directors voluntarily appointed a corporate governance supervisor on 2019.03.15 to assist directors in performing their duties.business and enhance the effectiveness of the Board of Directors.
 - (3) In order to strengthen the functions of the Board of Directors, the Company re-elected directors at the general meeting of shareholders on 2021.07.05, and added two directors with professional backgrounds in science and engineering, so that the members of the Board of Directors are more diverse; additionally, one seat of independent director with a professional legal background was elected at the general meeting of shareholders on 2023.06.15. This Board shall be able to give professional advice from different perspectives, which is helpful for improving the Company's operating performance and management efficiency It is of great help.
 - (4) The Company established the Sustainability Development Committee on 2023.11.03. Under this Committee, three functional teams including the "Sustainability Development Promotion Team", "Ethical Operation Promotion Team", and "Risk Management Promotion Team" have been formed, and are responsible for promoting corporate governance and ensuring the promotion and implementation of work related to the sustainable development of enterprises.
 - (5) The Company will continue to strengthen corporate governance and fulfill corporate social responsibilities in the future to achieve the goal of sustainable development.

2. Audit Committee Operations:

- (1) The Company set up an audit committee in June 2018 in accordance with the Securities and Exchange Act and elected one additional seat of independent director at the general meeting of shareholders on 15th June 2023. The audit committee is now composed of four independent directors and is chaired by independent director Wei-Hung Lin. The committee operates in accordance with the "Audit Committee Charter" of the Company and holds at least one meeting per quarter. Members' professional qualifications and experience include:

Name	Job title	Education and Experience	Areas of Expertise
Wei-Hung Lin	Convener	Master's Degree in Management, National Taiwan University of Science and Technology Accountant, Kao Fu Accounting Firm Director of Asia Electronic Material Co., Ltd.	Management Risk management Finance and Accounting Corporate governance
Jan-Yan Lin	Member	Doctor of Business Administration, National Chengchi University Full-time professor at the Department of Business Administration, Chung Yuan Christian University Director of the Global Taiwanese Business Research Center, Chung Yuan Christian University Head of the Mainland China-Taiwan Business and Trade Network Project, Mainland Affairs Council Deputy Dean of the College of Business, Chung Yuan Christian University	Management Risk management Finance and Accounting Corporate governance
Chih-Wei Tsai	Member	Master's degree, Department of Accounting, National Chengchi University Managing Accountant, Chengye Accounting Firm Independent Director, Taiwan Chinsan Electronic Industrial Co., Ltd. Independent Director, Universal Microwave Technology, Inc. Independent Director, Yankee Engineering Co., Ltd.	Management Risk management Finance and Accounting Corporate governance

Name	Job title	Education and Experience	Areas of Expertise
Ming-Xiu Cheng	Member	Ph.D. of Laws, University of Münster, Germany Distinguished Professor, Department of Law, Soochow University Member, Petitions and Appeals Committee, Executive Yuan Member, Petitions and Appeals Committee, Control Yuan Member, Legal Affairs Committee, New Taipei City Government	Legal affairs

- (2) The main responsibilities and annual work focus of the Company's audit committee are to assist the Board of Directors in overseeing the quality and integrity of the Company's accounting, audit, financial reporting processes, and financial controls. Its deliberations cover financial reports, the effectiveness of internal control systems, matters involving conflicts of interest for directors themselves, procedures for modifying the acquisition or disposition of assets, and the review of material transactions such as loans to others and endorsements or guarantees for others.
- A. Evaluation of the effectiveness of the internal control system: The Company's internal control system is self-evaluated, and each unit of the Company completes the internal control cycle operation annually. The Audit Committee confirms that the Company's internal control system, including financial, operational, risk management, information security, outsourcing, and compliance controls, is effective, and the Company has taken necessary control measures to supervise and correct non-compliant behavior.
 - B. Review of financial reports: The Company's annual operating report, annual financial report, and profit distribution proposal have all been reviewed and approved by the audit committee, and after being submitted to the Board of Directors for resolution, they are sent to the shareholders' meeting for approval.

- (3) As of the date of the annual report, the audit committee has held 5 meetings (from January 1, 2024 to March 14, 2025), and the attendance of the committee members is as follows:

Job Title	Name	Actual Attendance (B)	By Proxy	Actual Attendance Rate 【 B / A 】	Note
Independent Director	Wei-Hung Lin	5	0	100.00%	
Independent Director	Jan-Yan Lin	5	0	100.00%	
Independent Director	Chih-Wei Tsai	5	0	100.00%	
Independent Director	Ming-Xiu Cheng	4	1	80.00%	

Other matters to be recorded:

1. If the Audit Committee operates under any of the following circumstances, the date, period, agenda content, Audit Committee resolution results, and the Company's handling of the Audit Committee's opinions should be described:
(1) Items listed in Article 14-5 of the Securities Exchange Act:

Board of Directors	Agenda and Follow-up Processing	Matters listed in Section 14-5 of the Securities and Exchange Act
The 13th Meeting of the 9th Session 2024.03.15	(1) 2023 Business Report and Financial Reports for the Company.	
	(2) 2023 Loss Off-Setting Proposals of the Company.	
	(3) 2023 Cash Dividend Distribution for the Company.	
	(4) Discussion of 2023 Remuneration Distribution for the Employees and Directors of the Company.	
	(5) Discussion of the Annual Bonus Distribution for the Managers of the Company.	V
	(6) Discussion of 2023 Performance Appraisal Evaluation and 2024 Performance Indicator and Remuneration for the Managers of the Company.	
	(7) 2024 Business Plan of the Company.	
	(8) 2023 Internal Control System Declaration Statement of the Company.	V
	(9) Matters related to the 2024 Shareholders' Meeting of the Company and Acceptance of Shareholder Proposals for the Company.	
	(10) The Nomination Period, Number of Seats to be Elected, and Nomination Acceptance Place for the Election of the 10th Board of Directors of the Company.	
	(11) Approval of the Director (Including Independent Directors) Candidate List Nominated by the Board of Directors and Resolve for the Candidate Qualifications.	
	(12) Lift of the Non-Compete Restriction for the Directors of the Company.	V
	(13) Lift of the Non-Compete Restriction for the Managers of the Company.	V
	(14) Renewal of Credit Line with Banks for the Company.	
	(15) The Appointment of the CPA and Accounting Fee	V
	(16) Amendment of the "Audit Committee Charter" of the Company.	
	(17) Amendment of the "Rules for Board of Directors Meetings" of the Company.	V
	(18) Amendment of the "Operation Procedures for Trading with Stakeholders Management" and rename to "Rules Governing Financial and Business Matters Between the Company and its Related Parties"	
	(19) Abandonment of the Participation in 2024 First Cash Capital	

		Increase Plan by the Company's Subsidiary Keelgoalal Energy Co., Ltd. in Response to Keelgoalal Energy's Future Application for the Stock Listing Plan and Relevant Equity Dispersion Operations. The Number of Shares Abandoned has Been Offered to the Company's Shareholders for Preferential Subscription Based on Their Shareholding Ratio.	
		Audit committee resolution (March 15, 2024): All members of the committee were present and approved the above matters without objection..	
		Company's response to the audit committee: None.	
	The 14th Meeting of the 9th Session 2024.05.10	(1) 2024 Q1 Financial Report of the Company.	
		(2) Renewal of Credit Line with Banks for the Company.	
		(3) Provision of the Endorsement Guarantee for Celxpert Energy Corporation (Kunshan) by the Company.	V
		Audit committee resolution (May 10, 2024): All members of the committee were present and approved the above matters without objection..	
		Company's response to the audit committee: None.	
	The 1st Meeting of the 10th Session 2024.06.13	Proposal for Election of the Chairman of the Board.	
		Resolution of the Audit Committee: None.	
		Company's response to the audit committee: None.	
	The 2nd Meeting of the 10th Session 2024.07.12	(1) The appointment of members to the 6th Compensation Committee.	
		(2) Appointment of Members to the 2nd Sustainability Committee	
		(3) Lift of the Non-Compete Restriction for the Managers of the Company.	
		Resolution of the Audit Committee: None.	
		Company's response to the audit committee: None.	
	The 3rd Meeting of the 10th Session 2024.08.09	(1) 2024 Q2 Financial Report of the Company.	
		(2) Renewal of Credit Line with Banks for the Company.	
		(3) Provision of the Endorsement Guarantee for 2nd Tier Subsidiary Celxpert Energy Corporation (Kunshan) by the Company.	V
		(4) Provision of the Endorsement Guarantee for 2nd Tier Subsidiary Celxpert Energy Corporation (Nantong) by the Company.	V
		(5) Proposal for Intercompany Loan to 2nd Tier Subsidiary Celxpert (Nantong) Energy Corporation Ltd.	V
		(6) Provision of the Endorsement Guarantee for Keelgoalal Energy Co., Ltd.	V
		(7) Construction Plan of the Company's 2nd Tier Subsidiary Celxpert (Nantong) Energy Corporation Ltd.	
		(8) Discussion on Performance Bonus Distribution for Employees and Managerial Staff	
		(9) Reviewed the preparation status of the 2023 Sustainability Report.	
		Audit committee resolution (August 9, 2024): All members of the committee were present and approved the above matters without objection..	
		Company's response to the audit committee: None.	
	The 4th Meeting of the 10th Session 2024.11.08	(1) 2024 Q3 Financial Report of the Company.	
		(2) Renewal of Credit Line with Banks for the Company.	
		(3) Provision of the Endorsement Guarantee for 2nd Tier Subsidiary Celxpert (Kunshan) Energy Co.,Ltd. and Celxpert Energy Corporation (Nantong) by the Company.	V
		(4) Revisions to the Company's "Internal Control System" and "Internal Audit Implementation Rules."	V
		(5) Proposal for the adoption of the Company's "Procedures for the Preparation and Submission of Sustainability Reports."	V
		(6) Proposal for the revision of the Company's "Sustainable	

		Development Best Practice Principles.”	
	(7)	2025 Audit Plan of the Company.	
	(8)	Amendment of the General Principle of the Non-Assurance Service Pre-Approval Policy revise Company.	V
	Audit committee resolution (November 8, 2024): All members of the committee were present and approved the above matters without objection.		
	Company's response to the audit committee: None.		
The 5th Meeting of the 10th Session 2025.03.14	(1)	2024 Business Report and Financial Reports for the Company.	
	(2)	2024 Loss Off-Setting Proposals of the Company.	
	(3)	2024 Cash Dividend Distribution for the Company.	
	(4)	Proposed amendment to the Company’s Articles of Incorporation.	
	(5)	Definition of the scope of entry-level employees.	
	(6)	Proposed amendment to the Company’s “Procedures for Lending of Funds to Others.”	V
	(7)	Proposed amendment to the Company’s “Procedures for Making of Endorsements/Guarantees.”	V
	(8)	Proposed amendment to the Company’s “Rules for Director's Remuneration Distribution”	
	(9)	Discussion of 2024 Remuneration Distribution for the Employees and Directors of the Company.	
	(10)	Discussion on the Company’s Director Remuneration Distribution for 2025	
	(11)	Discussion of the Annual Bonus Distribution for the Managers of the Company.	
	(12)	Discussion on the Company’s Managerial Performance Evaluation Indicators for 2024	
	(13)	2025 Business Plan of the Company.	
	(14)	2024 Internal Control System Declaration Statement of the Company.	V
	(15)	Matters related to the 2025 Shareholders' Meeting of the Company and Acceptance of Shareholder Proposals for the Company.	
	(16)	The Appointment of the CPA and Accounting Fee	V
	(17)	Proposal to Cancel Endorsement and Guarantee for Subsidiary Keelgoal Energy Co., Ltd.	V
	(18)	Proposal to Set the Record Date for the Conversion of the Company’s Third Domestic Unsecured Convertible Corporate Bonds into Common Shares	
	(19)	Renewal of Credit Line with Banks for the Company.	
	Audit committee resolution (March 14, 2025): All members of the committee were present and approved the above matters without objection..		
Company's response to the audit committee: None.			
(2) Other matters that have not been approved by the Audit Committee but have been passed by a resolution of more than two-thirds of the entire Board of Directors: None.			

2. The implementation status of recusal by independent directors in cases involving conflicts of interest shall state the names of the directors, the contents of the proposal, the reasons for recusal, and their voting participation:			
The 2nd Meeting of the 10th Session 2024.07.12	The appointment of members to the 6th Compensation Committee.	Wei-Hung Lin Independent Director Jan-Yan Lin Independent Director	Independent Directors of the Company
Meeting proceedings: 【Independent Director Wei-Hung Lin】 I have a conflict of interest with this case and will recuse myself from the discussion and voting. 【Independent Director Jan-Yan Lin】 I have a conflict of interest with this case and will recuse myself from the discussion and voting.			
Independent Director Opinion: Independent directors Ming-Xiu Cheng, Chih-Wei Tsai (attended by proxy through Independent Director Ming-Xiu Cheng) all expressed agreement.			
Resolution Result: Except for the directors with conflicts of interest who recused themselves from the vote, after the chairman consulted with the other attending directors, the resolution was passed with no objections.			
The 2nd Meeting of the 10th Session 2024.07.12	Appointment of Members to the 2nd Sustainability Committee	Shih-Ming Huang Chairman Ching-Jung Huang Director Jan-Yan Lin Independent Director	Directors of the Company (including independent directors)
Meeting proceedings: 【Shih-Ming Huang, Chairman of Directors】 I have a familial relationship with Ching-Jung Huang within the second degree of kinship and will recuse myself from the discussion and vote due to his conflict of interest. Wei-Hung Lin, an independent director, temporarily acted as a proxy to discuss and vote on the case. 【Director Ching-Jung Huang】 I have a conflict of interest with this case and will recuse myself from the discussion and voting. 【Independent Director Jan-Yan Lin】 I have a conflict of interest with this case and will recuse myself from the discussion and voting.			
Independent Director Opinion: Independent directors Wei-Hung Lin, Ming-Xiu Cheng, Chih-Wei Tsai (attended by proxy through Independent Director Ming-Xiu Cheng) all expressed agreement.			
Resolution Result: Except for directors and independent directors with conflicts of interest who recused themselves from the discussion and vote, after the acting chairman consulted with the other attending directors and independent directors and received no objections, the resolution was passed.			
The 4th Meeting of the 10th Session, March 14, 2025	Discussion on the Company's Director Remuneration Distribution for 2025	All Members of the Board of Directors (including independent directors)	All Members of the Board of Directors (including independent directors)
Meeting proceedings: 【Moderator】 We will now proceed with the review of individual directors' remuneration. For this agenda item, the following directors have a personal interest: Chairman of Directors Shih-Ming Huang, Director Chien-Ting Chen, Corporate Director Representative Director Wen-Hung Huang, Corporate Director Representative Director Chung-Kuei Hsu, Corporate Director Representative Director Ching-Jung Huang, Independent Director Wei-Hung Lin, Independent Director Jan-Yan Lin, Independent Director Chih-Wei Tsai, and Independent Director Ming-Xiu Cheng, please recuse yourself from exercising voting rights when reviewing the remuneration of individual directors. 【Shih-Ming Huang, Chairman of Directors】 who also serves as General Manager of the Company, recused himself from the discussion and vote due to his conflict of interest. Wei-Hung Lin, an independent director, temporarily acted as a proxy to discuss and vote on the case. 【Director Ching-Jung Huang】 As the legal representative of a corporate director of the Company, I have a conflict of interest with this case and will recuse myself from the discussion and voting. 【Director Chien-Ting Chen】 As a director of the Company, I have a conflict of interest with this case and will recuse myself from the discussion and voting. 【Director Wen-Hung Huang】 As the legal representative of a corporate director of the Company, I have a conflict of interest with this case and will recuse myself from the discussion and voting.			

【Director Chung-Kuei Hsu】

As the legal representative of a corporate director of the Company, I have a conflict of interest with this case and will recuse myself from the discussion and voting.

【Independent Director Wei-Hung Lin】

As an independent director of the Company, I have a conflict of interest with this case and will recuse myself from the discussion and voting.

【Independent Director Jan-Yan Lin】

As an independent director of the Company, I have a conflict of interest with this case and will recuse myself from the discussion and voting.

【Independent Director Chih-Wei Tsai】

As an independent director of the Company, I have a conflict of interest with this case and will recuse myself from the discussion and voting.

【Independent Director Ming-Xiu Cheng】

As an independent director of the Company, I have a conflict of interest with this case and will recuse myself from the discussion and voting.

Independent Director Opinion: Independent directors Wei-Hung Lin, Jan-Yan Lin, Chih-Wei Tsai, and Ming-Xiu Cheng all expressed agreement.

Resolution Result: Except for the directors with conflicts of interest who recused themselves from the discussion and the vote, after chairman consulted with the other attending directors, the resolution was passed with no objections.

3. The communication between independent directors and the internal audit director and accountant (including major matters, methods, and results of communication on the Company's finances and business conditions):

- (1) The internal audit director of the Company, in addition to contacting the independent directors as needed, submits audit reports to the independent directors on a regular basis and reports on the handling of relevant audit matters to the Audit Committee every quarter. The communication between independent directors and the internal audit director of the Company in 2024 and up to the date of publication of the annual report is summarized in the table below:

Date	Communication Focus	Communication Results
2024/03/15	1. Audit report for the fourth quarter of 2023 2. Report on the handling of opinion box	No objections.
2024/05/10	1. Audit report for the first quarter of 2024 2. Report on the handling of opinion box	No objections.
2024/08/09	1. Audit report for the second quarter of 2024 2. Report on the handling of opinion box	No objections.
2024/11/08	1. Audit report for the third quarter of 2024 2. Report on the handling of opinion box	No objections.
2025/03/14	1. Audit report for the fourth quarter of 2024 2. Report on the handling of opinion box	No objections.

- (2) The Company's accountants may contact the independent directors as needed and report to the independent directors on the results of financial report audits and discoveries at least once a year at the Audit Committee meeting, as well as share updates on recent legal changes.

The communication between independent directors and the signing accountants of the Company in the 2024 fiscal year and up to the date of publication of the annual report is summarized in the table below:

Audit Committee Report Date	Attendees	Communication Focus	Communication Results
2024/03/15	Independent Director Wei-Hung Lin Independent Director Chih-Wei Tsai Independent Director Jan-Yan Lin CPA Serena Hsin	1. Explanation of the CPA's audit of the Q4 2023 consolidated financial statements. 2. Communication with the internal control audit and governance unit by the CPA. 3. Recent updates on laws and regulations were shared. 4. The accountant discussed and communicated with the attendees regarding questions raised.	No objections.

Audit Committee Report Date	Attendees	Communication Focus	Communication Results
2024/05/10	Independent Director Wei-Hung Lin Independent Director Chih-Wei Tsai Independent Director Jan-Yan Lin Independent Director Ming-Xiu Cheng CPA Serena Hsin	1. Explanation of the CPA's audit of the Q1 2024 consolidated financial statements. 2. Communication with the internal control audit and governance unit by the CPA. 3. Recent updates on laws and regulations were shared. 4. The accountant discussed and communicated with the attendees regarding questions raised.	No objections.
2024/08/09	Independent Director Wei-Hung Lin Independent Director Chih-Wei Tsai Independent Director Jan-Yan Lin Independent Director Ming-Xiu Cheng CPA Serena Hsin	1. Explanation of the CPA's audit of the Q2 2024 consolidated financial statements. 2. Communication with the internal control audit and governance unit by the CPA. 3. Recent updates on laws and regulations were shared. 4. The accountant discussed and communicated with the attendees regarding questions raised.	No objections.
2024/11/08	Independent Director Wei-Hung Lin Independent Director Chih-Wei Tsai Independent Director Jan-Yan Lin Independent Director Ming-Xiu Cheng CPA Serena Hsin	1. Explanation of the CPA's audit of the Q3 2024 consolidated financial statements. 2. Communication with the internal control audit and governance unit by the CPA. 3. Recent updates on laws and regulations were shared. 4. The accountant discussed and communicated with the attendees regarding questions raised.	No objections.
2025/3/14	Independent Director Wei-Hung Lin Independent Director Chih-Wei Tsai Independent Director Jan-Yan Lin Independent Director Ming-Xiu Cheng CPA Serena Hsin	1. Explanation of the CPA's audit of the Q4 2024 consolidated financial statements. 2. Communication with the internal control audit and governance unit by the CPA. 3. Recent updates on laws and regulations were shared. 4. The accountant discussed and communicated with the attendees regarding questions raised.	No objections.

Note:

- * If there are independent directors who resign before the end of the fiscal year, the date of resignation should be indicated in the remarks column, and the actual attendance rate (%) should be calculated based on the number of audit committee meetings attended during their tenure.
- * If there are independent directors who are newly elected or re-elected before the end of the fiscal year, both the new and old independent directors should be listed, and it should be indicated in the remarks column whether the independent director is a new, old, or re-elected member and the date of the election. The actual attendance rate (%) should be calculated based on the number of audit committee meetings attended during their tenure.

3. Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons:

Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
1. Has the Company established and disclosed its Corporate Governance Best- Practice Principles based on the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies?	V		The Company established the Corporate Governance Best Practice Principles which was approved by the Board of Directors on 2023/11/3.	None.
2. Shareholding Structure and Shareholders' Rights				
(1) Does the Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes, and litigation matters? If yes, have these procedures been implemented accordingly?	V		(1) The Company has established a spokesperson and deputy spokesperson system to be responsible for the handling of investor relationships. The Company has built up a channel between the Company and shareholders for positive communications. By far, it has properly responded to all suggestions from the shareholders, and resolved the doubts of shareholders and there was no dispute found.	None.
(2) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	V		(2) The Company has the list of its major shareholders and their final controlling parties to ensure operational stability.	None.
(3) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates?	V		(3) Assets and financial accounting of the affiliates are handled independently, and the Company's relevant departments conduct regular and ad-hoc audits of affiliates with control rights. This is done to prevent any potential drawbacks arising from affiliates' transactions and to mitigate risks to the Company.	None.
(4) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?	V		(4) The management of the Company places a strong emphasis on ethical operations. In the design of our internal management systems, we have implemented measures to prevent misconduct and regularly educate our internal stakeholders on securities trading laws and regulations, including insider trading prohibitions. It is strictly prohibited for insiders to engage in insider trading activities. Furthermore, on November 4th, 2022, the Board of Directors approved the revision of the Procedures for Handling Material Inside	None.

Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			Information and Preventing Insider Trading. These procedures stipulate that directors are prohibited from trading the Company's stock during a closed period of thirty days prior to the announcement of annual financial reports and fifteen days prior to the announcement of quarterly financial reports.	
3. Composition and responsibilities of the Board of Directors (1) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	V		(1) The Company is committed to promoting the effective operation, organizational structure, and development needs of the Board of Directors through the formulation of appropriate diversity policies. The nomination and selection of board members follow the provisions outlined in the Company's Article of Incorporation, utilizing a candidate nomination system. In addition to evaluating the qualifications and experiences of each candidate, we adhere to the guidelines set forth in the "Corporate Governance Best Practice Principles for TWSE/TPEX Companies., particularly Article 20, to ensure the diversity and independence of our board members. 1. The current Board of Directors consists of nine members, with one female members that represent 11.11% of the total board composition, with an average age of 45 years old. Male members constitute 88.89% of the Board, with an average age of 64 years old. The average age of all board members is 62 years old. 2. General Board Members: The Board comprises individuals with diverse professional backgrounds, including a Master's degree in Electrical Engineering from the Georgia Institute of Technology (USA), a Master's degree from the Graduate Institute of Business Administration at National Taiwan University, an Executive MBA from Royal Roads University (Canada), a Bachelor's degree in Political Science from National Defense University, and a Master's degree from the Institute of Nuclear Science at National Tsing Hua University. Their expertise spans management, engineering,	None.

Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(2) Has the Company voluntarily established other functional committees in addition to the Compensation Committee and the audit committee?	V		political science, and industrial operations. 3. Independent Directors: Their backgrounds include an accountant at Gao Fu Accounting Firm, a practicing accountant at Chainye Accounting Firm, a full-time professor in the Department of Business Administration at Chung Yuan Christian University, and a full-time professor in the Department of Law, Soochow University. (2) In addition to establishing a Compensation Committee in compliance with the law, the Company has voluntarily established an Audit Committee. In addition, a "Sustainability Committee" was established on 2023.11.03. Under this Committee, three functional teams including the "Sustainability Development Promotion Team", "Ethical Operation Promotion Team", and "Risk Management Promotion Team" have been formed, and are responsible for promoting corporate governance and ensuring the promotion and implementation of work related to the sustainable development of enterprises. We may consider establishing other functional committees in the future based on operational needs.	None.
(3) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis?	V		(3) The Company has implemented the "Rules for Performance Evaluation of Board of Directors and Functional Committee," which were approved by the Board of Directors. Internal evaluations of the Board and functional committees were conducted in 2025 Q1. The evaluation results are compiled into a report, which was reported to the Board of Directors on March 14, 2025.	None.
(4) Does the Company regularly evaluate its external auditors' independence?	V		(4) The Finance and Accounting Department has developed relevant evaluation criteria in accordance with Article 47 of the Certified Public Accountant Act and Bulletin No. 10 of the Code of Professional Ethics for Certified Public Accountants. In addition to conducting regular assessments of the independence and capabilities of the CPAs, we also require them to provide "Audit Quality Indicators (AQIs) " and evaluate them based on the standards outlined in Note 1 and the 13 AQI indicators. After confirming that the CPAs have no other financial interests or business relationships	None.

Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			with the Company other than the fees for auditing and taxation cases, and considering the AQI indicators, it has been determined that the CPAs and their firms have superior audit experience and on-the-job training hours compared to industry averages. The most recent evaluation results were submitted to the Audit Committee for review and subsequently reported to the Board of Directors on March 14, 2025. The evaluation results showed that all CPAs of the Company meet the criteria of independence and capabilities (Note 1).	
4. Does the TWSE/TPEX listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings) ?	V		The Board of Directors approved on 2021.07.16 the appointment of the Corporate Governance Officer to safeguard shareholder rights and enhance the effectiveness of the Board of Directors. Corporate Governance Officer possesses over three years of experience in a senior financial management role in a publicly traded company. The Corporate Governance Officer's primary responsibilities include handling matters related to the Board Meetings and Shareholders' Meetings in accordance with the law, preparing minutes of the Board Meetings and Shareholders' Meetings, assisting directors in their appointments and continuous education, providing necessary information for directors to carry out their duties, and assisting directors in compliance with laws and regulations. The Corporate Governance Officer adheres to the principle of prompt and effective assistance in the execution of duties, ensuring that all directors can obtain the support of the Corporate Governance Officer, receive appropriate and timely information, make informed decisions, and fulfill their responsibilities as directors.	None.
The Corporate Governance Officer of the Company carried out the following business for 2024 and the current year as of the printing date of the prospectus: (1) Assist in arranging the content and procedures of Board Meetings and Shareholders' Meetings, ensuring that meeting summonses and notifications are completed within the legally required timeframes. (2) Provide assistance and reminders to directors regarding compliance with applicable regulations in the execution of their duties, including pre-notification of recusal in cases where directors may have conflicts of interest in the meeting. (3) Provide directors with the latest updates and revisions on laws and regulations related to corporate governance and ensure their understanding and compliance. (4) Conduct a post-review of important resolutions made by the Board of Directors to ensure compliance with regulations regarding the disclosure of material information, thereby safeguarding the equal rights of investors to access accurate and lawful trading information.				

Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons												
	Yes	No	Summary description													
(5) Report to the Board of Directors on the examination results regarding the qualifications of independent directors during the nomination, appointment, and tenure periods, in accordance with relevant laws and regulations. The training records of the Corporate Governance Officer of the Company in 2024 and the current year as of the printing date of the prospectus:																
<table><tr><th>Training Date</th><th>Organizer</th><th>Course Title</th><th>Training hours</th></tr><tr><td>2024.07.05</td><td>Accounting Research and Development Foundation</td><td>Driving Corporate Sustainability Through “Risk Management”</td><td>6</td></tr><tr><td>2024.10.30</td><td>The Institute of Internal Auditors, R.O.C.</td><td>Audit Practices in the Preparation of Annual Business Plans and Budgets</td><td>6</td></tr></table>					Training Date	Organizer	Course Title	Training hours	2024.07.05	Accounting Research and Development Foundation	Driving Corporate Sustainability Through “Risk Management”	6	2024.10.30	The Institute of Internal Auditors, R.O.C.	Audit Practices in the Preparation of Annual Business Plans and Budgets	6
Training Date	Organizer	Course Title	Training hours													
2024.07.05	Accounting Research and Development Foundation	Driving Corporate Sustainability Through “Risk Management”	6													
2024.10.30	The Institute of Internal Auditors, R.O.C.	Audit Practices in the Preparation of Annual Business Plans and Budgets	6													
5. Has the Company established channels for communicating with its take holders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?	V		The Company has set up a dedicated section for stakeholders on its website, disclosing the contact information of the spokesperson and the deputy spokesperson. - Customer Section - Meaning to the Company - Product support and attention to product quality - Topics concerned - Customer services - Product responsibility - Ethics and honesty - Quality management - Innovative R&D - Communication Channels, Frequency, and Responding Methods - Sustainability Report - Celxpert Company websites - Customer satisfaction survey - Cooperate with customers for sales-related review meetings. - Customer audits and replies to the survey feedback from the customers. - Stakeholder Engagement Highlights - Customer Satisfaction Survey achieved a 100% response rate. The average score exceeded 90 points, indicating a high level of customer satisfaction. - Shareholder section - Meaning to the Company - Sustainable operations bring positive benefits and decide the operation direction of the Company. - Topics concerned - Operational performance - Corporate governance - Information transparency - Communication Channels, Frequency, and	None.												

Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			Responding Methods • Timely disclosure of material information • Annual General Shareholders' Meeting held as scheduled • Designated shareholder services and investor relations contact points to ensure two-way communication • Communication channel: Spokesperson: CFO Chien-Yu Lin Tel: 886-3-489-9054 ext. 1200 E-mail: investor@celxpertcomtw (4) Stakeholder Engagement Highlights • Released 35 material announcements in both Chinese and English • Quarterly financial statements publicly disclosed • Monthly revenue reports submitted in accordance with regulations • Supplier section (1) Meaning to the Company • Provide materials and other things, ensuring the quality meets the requirement. (2) Topics concerned • Company image in the market • Legal compliance with environmental regulations • Legal compliance with product responsibility regulation • Anti-corruption (3) Communication Channels, Frequency, and Responding Methods • Sustainability Report • Celxpert Company websites • Supplier evaluations • Ad hoc education and training • Communication meetings and survey feedback (4) Stakeholder Engagement Highlights • 3 new suppliers were evaluated • 12 existing suppliers were audited, achieving a 100% pass rate • (scoring 80% or higher) • We arranged at least 12 technical exchange and training sessions annually. • Daily, ad-hoc communication regarding material status is conducted via email or phone.	

Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			- Employee section - Meaning to the Company - An important and necessary asset to the operation of the Company. - Topics concerned - Adherence to human rights policies and corporate governance regulations - Employee welfare, talent development, and workplace health and safety. - Communication Channels, Frequency, and Responding Methods - Employee care survey: Regular quarterly and annual employee care, including organization atmosphere, work satisfaction, leadership management, learning and growth, salary and welfare measures, education and training, and overall satisfaction. - Labor-to-Management meeting: Regular quarterly labor-to-management meetings with active participation from both sides - Welfare Committee: Ad hoc birthday parties, employee traveling, family day events, etc. - Communication and compliant mechanism: - Announcement in the internal website of the Company - Internal opinion e-mail box of the Company. - Sexual harassment prevention and complaint e-mail: Rachel_Chuang@celxpertcomtw - Stakeholder Engagement Highlights - Employees received an average of 64.5 hours of training. - Two awareness courses and lectures on sexual harassment prevention were held, with 165 participants and a 98% satisfaction rate. - The Welfare Committee organizes quarterly birthday celebrations for employees. - In 2024, three birthday dinners were held. - The Welfare Committee organized a domestic employee trip in April. - Four labor-management meetings were held, co-chaired by management and	

Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			employee representatives, to discuss employee proposals and suggestions. - Government section - Meaning to the Company - Comply with various regulations of the government agencies and cooperate with irregular inspections. - Topics concerned - Legal compliance Anti-corruption - Communication Channels, Frequency, and Responding Methods - Maintain good interactions with the competent authorities, actively participate in regulation briefings, seminars, and projects held by various competent authorities. - Official announcements and letters, survey investigations from competent authorities. - Participate in external associations and provide suggestions promptly to various issues. - Stakeholder Engagement Highlights - We participated in two outreach sessions organized by regulatory authorities. 10 responses were received from employee surveys. - Society and public section - Meaning to the Company - Improve the living quality of the public and grow together with the society. - Topics concerned - Social Engagement & Environmental Management - Communication Channels, Frequency, and Responding Methods - Sustainability Report - Celxpert Company websites and survey feedback. - Ad hoc support community events. - Communications via phones and e-mails. - Stakeholder Engagement Highlights - We made four charitable donations, primarily to local schools and social welfare organizations, totaling NT\$280,000. - Employees made voluntary small donations totaling NT\$50,000.	

Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			3 relevant articles were published on our official website.	
6. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	V		The Company has engaged the professional share registrar agency CTBC Bank to assist with the handling of shareholders' meetings and related share registry matters.	None.
7. Information Disclosure				
(1) Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status?	V		(1) The Company discloses financial and business related information on its website as well as on the MOPS according to the law and regulations.	None.
(2) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conferences, etc.) ?	V		(2) The Company has appointed dedicated personnel responsible for the Company's information disclosure and has implemented the spokesperson system, and established a stakeholder section on its website to disclose the contact information of related personnel. URL: https://zh-tw.celxpert.com.tw/data_5939	None.
(3) Does the Company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?		V	(3) While our annual financial report was not announced within two months after the end of the accounting year, all quarterly and annual financial reports were released on the same day they were approved by the Board of Directors. Additionally, monthly operating results were announced and filed ahead of the stipulated deadlines.	None.
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders,	V		(1) Employee rights: The Company has always placed great importance on maintaining harmonious labor-management relations. We regularly hold labor-management meetings to establish a two-way communication channel. Furthermore, we adhere to labor laws and regulations to ensure the protection of employee rights.	None.

Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors) ?			(2) Employee wellness: The Company has established Employee Welfare Committee which allocates welfare funds to promote various benefit measures according to laws and regulations. Benefits include annual travelling, employee insurance, regular health examinations, and various courses and training. (3) Investor relations: The Company has appointed dedicated personnel responsible for handling shareholders' affairs, and also established a spokesperson mailbox and online contacts to provide investors with a smooth communication platform. (4) Supplier relations: Celxpert shall build up the core value of cooperation with customers and suppliers through "Trust." We aim to communicate this through our supplier conferences, where we emphasize the importance of establishing a sustainable supply chain for battery modules based on shared values. We encourage our suppliers to collaborate with us in building a strong and long-lasting partnership. (5) Right of stakeholders: The Company's website has established a stakeholders' section to provide a smooth communication channel where stakeholders may provide advice and suggestions at any time. (6) Directors' continuing education: The directors (including independent directors) of the Company possess relevant expertise and practical knowledge in their respective fields. They are committed to continuously improving their skills and staying updated with the latest relevant training and courses. (7) The implementation of risk management policies and risk evaluation standards: To effectively implement corporate risk management, the Company established a Sustainable Development Committee on November 3, 2023. Reporting directly to this committee is the Risk Management Promotion Team, responsible for revising our risk management policies and procedures, and overseeing the operation of our risk management mechanisms. The Company's risk management policies and procedures were	

Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			officially approved by the Board of Directors on November 3, 2023. The Company's Finance and Accounting Department spearheads the operations of the Risk Management Promotion Team, focusing on identifying risk factors and implementing risk controls. This ensures efficient command, self-assessment, and execution within our risk management organization. The team provides regular reports on risk management implementation to the Board of Directors, at least once annually. The most recent report was submitted on November 8, 2024. Implementation status: The Company established the Risk management Promotion Team on 2023.11.03, which is a functional team of the Sustainability Committee under the Board of Directors. It reports to the Board of Directors on the responsibilities and future plans of the promotion team members. The Risk Management Promotion Team is comprised of task forces from various responsible departments within the company. Each department is mandated to clearly identify the risks it faces and adhere to established guidelines for necessary operations and risk management tasks, ensuring that all associated risks remain within acceptable levels. In 2024, two meetings of the Risk Management Promotion Team have been held. Scope of risk management 1. Strategic and operational risks 2. Financial risks 3. Compliance risks 4. Information security risks 5. Climate change risks 6. Quality risks The Company's risk management process is as follows: 1. Risk identification: Each risk management responsible unit identifies potential risk items pertinent to its organizational operations. 2. Risk analysis: These units analyze and assess risk levels and values, develop a risk map, and filter out significant risks.	

Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons									
	Yes	No	Summary description										
			3. Risk treatment: Each unit formulates and executes risk countermeasures, subsequently evaluating the residual risk. 4. Monitoring and review: Risk management units continuously monitor changes in the risk environment and the emergence of new risks. They also oversee identified risks, issue necessary warnings, and review the effectiveness of risk countermeasures and the accuracy of risk treatment steps, ensuring the robust implementation of internal control procedures. 5. Information dissemination, communication, and consultation: Our Finance and Accounting Department is responsible for the communication and coordination of the Risk Management Promotion Team. This ensures the effective execution of risk management operations and the thorough collection, compilation, recording, reporting, and disclosure of all company risk management information, facilitating the continuous operation of our risk management system. (8) The implementation of customer relations policies: The Company maintains good relationships with its customers to make the maximum profit. (9) The Company has purchased liability insurance for all directors from the insurance company each year and regularly reports to the Board. <table><tr><th>Insured Period</th><th>Insured amount</th><th>Reporting date to the board</th></tr><tr><td>2024.06.01~2025.06.01</td><td>US\$ 5M</td><td>2024.07.12</td></tr><tr><td>2023.06.01-2024.06.01</td><td>US\$ 5M</td><td>2023.08.04</td></tr></table>	Insured Period	Insured amount	Reporting date to the board	2024.06.01~2025.06.01	US\$ 5M	2024.07.12	2023.06.01-2024.06.01	US\$ 5M	2023.08.04	
Insured Period	Insured amount	Reporting date to the board											
2024.06.01~2025.06.01	US\$ 5M	2024.07.12											
2023.06.01-2024.06.01	US\$ 5M	2023.08.04											
9. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement. (If the Company was not included among the companies evaluated for the given recent year, this item does not need to be completed.): The Company dedicated to promoting the corporate governance image in recent years, and remains committed to addressing these areas of improvement one by one.													

Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons							
	Yes	No	Summary description								
(1) The Company has been dedicated to enhancing corporate governance practices, and shall improve the items that have not yet been improved one by one.											
<table><tr><th>Year</th><th>Evaluation Result</th></tr><tr><td>2024</td><td>TPEX-listed company ranking range: 6%~20%</td></tr><tr><td>2023</td><td>TPEX-listed company ranking range: 21%~35%</td></tr><tr><td>2022</td><td>TPEX-listed company ranking range: 51%~65%</td></tr></table>					Year	Evaluation Result	2024	TPEX-listed company ranking range: 6%~20%	2023	TPEX-listed company ranking range: 21%~35%	2022
Year	Evaluation Result										
2024	TPEX-listed company ranking range: 6%~20%										
2023	TPEX-listed company ranking range: 21%~35%										
2022	TPEX-listed company ranking range: 51%~65%										
(2) In 2025, the Company aims to improve two major aspects of information transparency and the protection and equitable treatment of shareholders.											

Note 1: The independence and capabilities evaluations of the CPA in 2024

Name of CPA	Serena Hsin	Accounting Firm: KPMG Taiwan
Education and experience	Education - Department of Business Administration, National Sun Yat-sen University Professional service experience - Financial Statement Certification and Profit Enterprise Income Tax Certification Declaration - Counseling on applications for public offering and listing cases - Evaluation of the internal control system - Counseling for listing cases of foreign companies in Taiwan - Counseling on the introduction of International Financial Reporting Standards (IFRS)	
Name of CPA	Wang, Yi-Wen	Accounting Firm: KPMG Taiwan
Education and experience	Education: - Department of Accounting, Soochow University Professional service experience - Counseling on applications for public offering and listing cases - Suggestions on equity and tax structure before the public offering - Counseling for listing cases of foreign companies in Taiwan - Counseling on the introduction of International Financial Reporting Standards (IFRS) - Evaluation of the internal control system - Financial Statement Certification and Profit Enterprise Income Tax Certification Declaration - Counseling for innovative business - Counseling for social enterprises	

No.	Evaluation item	Result	Independence
1.	As of the most recent audit engagement, there have been no instances of a seven-year tenure without rotation.	Yes	Yes
2.	There are no significant financial interests or conflicts of interest with the client.	Yes	Yes
3.	Efforts are made to avoid any inappropriate relationships with the client.	Yes	Yes
4.	The CPAs ensure that their assistants adhere to principles of honesty, fairness, and independence.	Yes	Yes
5.	Within the first two years of practice, CPAs are prohibited from auditing the financial statements of previous employers.	Yes	Yes
6.	The CPAs are not allowed to use their name on behalf of others.	Yes	Yes
7.	The CPAs do not hold any shares of the Company or its related entities.	Yes	Yes
8.	There are no monetary loans or borrowings between the CPAs and the Company or its related entities.	Yes	Yes
9.	There is no shared investment or profit-sharing relationship between the CPAs and the Company or its related entities.	Yes	Yes
10.	The CPAs do not hold any concurrent positions with fixed remuneration from the Company or its related entities.	Yes	Yes
11.	The CPAs are not involved in the decision-making process or management functions.	Yes	Yes
12.	The CPAs do not engage in any other business that could compromise their independence.	Yes	Yes
13.	There is no spousal or within two degrees of kinship relationship with the Company's management personnel.	Yes	Yes
14.	No commissions related to the business have been received.	Yes	Yes
15.	To date, there have been no penalties or incidents that could compromise the principle of independence.	Yes	Yes

Evaluation result: The independence and capabilities of the CPAs comply with the relevant laws and regulations.

4. If the Company has established a Compensation Compensation Committee or Nomination Committee, it shall disclose its composition, responsibilities, and operating status:

(1) Compensation Compensation Committee Member Information

Name	Job Title	Education and Experience	Areas of Expertise
Wei-Hung Lin	Convenor/ Independent Director	Master's Degree in Management, National Taiwan University of Science and Technology Accountant, Kao Fu Accounting Firm Director of Asia Electronic Material Co., Ltd.	Management Risk management Finance and Accounting Corporate governance
Jan-Yan Lin	Member/ Independent Director	Doctor of Business Administration, National Chengchi University Full-time professor at the Department of Business Administration, Chung Yuan Christian University Director of the Global Taiwanese Business Research Center, Chung Yuan Christian University Head of the Mainland China-Taiwan Business and Trade Network Project, Mainland Affairs Council Deputy Dean of the College of Business, Chung Yuan Christian University	Management Risk management Finance and Accounting Corporate governance
Wen-Yuan Kuo	Member	Bachelor's Degree in Industrial Management, National Taiwan University of Science and Technology Former Vice General Manager, Asia Pacific Region, Aruba Networks Former Director of Channels, North Asia Region, Cisco Systems	Management Corporate governance

Condition Name	Professional Qualifications and Experience	Independence Status	Number of Other Public Companies at Which the Person Concurrently Serves as Compensation Remuneration Committee Member
Wei-Hung Lin	1. Leadership experience in the Compensation Compensation Committee, Audit Committee, and Board of Directors 2. Professional knowledge of the industry and law. 3. No circumstances listed in Article 30 of the Company Law.	(1)(2)(3)(4)(5) (6)(7)(8)(9)(10)	0
Jan-Yan Lin	1. Leadership experience in the Compensation Compensation Committee, Audit Committee, and Board of Directors 2. Professional knowledge of the industry and financial accounting. 3. No circumstances listed in Article 30 of the Company Law.	(1)(2)(3)(4)(5) (6)(7)(8)(9)(10)	0
Wen-Yuan Kuo	1. Leadership experience in the Compensation Compensation Committee, 2. Professional knowledge of the industry and financial accounting. 3. No circumstances listed in Article 30 of the Company Law.	(1)(2)(3)(4)(5) (6)(7)(8)(9)(10)	0

Note 1: The Company has established a Compensation Compensation Committee consisting of three members in accordance with legal regulations.

Note 2: Please tick "✓" the corresponding boxes that apply to all members during the two years prior to being elected or during the term of office.

- (1) Not an employee of the Company or any of its related companies.
- (2) Not a director or supervisor of the Company or any of its related companies (except for independent directors established by the Company, its parent company, subsidiary, or a subsidiary of the same parent company in accordance with this law or local laws and regulations, who are mutually appointed, and are not subject to this restriction) .
- (3) Neither the individual nor their spouse, minor children, or any natural person shareholder who holds more than 1% of the total issued shares of the Company or is among the top ten shareholders, holding shares under another person's name.
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer listed under (1) or any of the persons listed in (2) and (3).
- (5) Not a director, supervisor, or employee of a corporate shareholder who directly holds more than 5% of the total issued shares of the Company, is among the top five shareholders, or is appointed as a representative by the Company's Article 27, Paragraph 1, or Paragraph 2, (except for independent directors established by the Company, its parent company, subsidiary, or a subsidiary of the same parent company in accordance with this law or local laws and regulations, who are mutually appointed, and are not subject to this restriction.)
- (6) If a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent) .
- (7) If the chairperson, general manager, or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor) , supervisor, or employee of that other company or institution (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent) .

- (8) Directors (supervisors) , managers, or shareholders holding more than 5% of the shares of specific companies or organizations that have financial or business dealings with the Company, unless they are independent directors established in accordance with this law or local laws by the Company, its parent company, subsidiary, or a subsidiary of the same parent company, and are mutually concurrently serving as independent directors, provided that the specific company or organization holds more than 20% but no more than 50% of the total issued shares of the Company.
- (9) Professional individuals, sole proprietors, partnerships, companies, or organizations providing relevant services such as business, legal, financial, and accounting services to the Company or related enterprises, whose cumulative compensation within the last two years does not exceed NT\$500,000, and their spouses, shareholders, partners, directors (supervisors) , or employees. However, this does not apply to members of the Compensation Committee, public acquisition review committee, or merger special committee who perform their duties in accordance with relevant laws such as the Securities and Exchange Act or the Company Merger and Acquisition Act.

(10) Not falling under any of the circumstances specified in Article 30 of the Company Act.

(2) Information on the Compensation Compensation Committee Operation Status

- A. The Compensation Compensation Committee of the Company consists of three members, who are elected and appointed in accordance with the "Regulations Governing the Appointment and Exercise of Powers by the Compensation Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange". The committee operates in accordance with the "Compensation Committee Charter" of the Company and holds at least two meetings each year.

The main responsibilities and annual focus of the Compensation Committee in 2024 include: formulating and periodically reviewing policies and systems for performance evaluation, remuneration for directors and executives, as well as conducting relevant reviews of employee compensation and bonus distribution policies.

- B. Current Term of Committee Members: From July 12, 2024 to June 12, 2027, for the most recent fiscal year (2024) and up until the annual report printing date of the 2025 fiscal year, the Compensation Committee held three meetings (A) , the qualifications and attendance of the committee members are as follows:

Job Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B / A) (Note)	Note
Convenor/ Independent Director	Wei-Hung Lin	3	0	100%	
Independent Director	Jan-Yan Lin	3	0	100%	
Member	Wen-Yuan Kuo	3	0	100%	

Other matters to be recorded:

1. If the Board of Directors declines to adopt or modifies a recommendation of the Compensation Compensation Committee, it should specify the date of the meeting, session, content of the motion, resolution by the Board of Directors, and the Company's response to the Compensation Compensation Committee's opinion (eg. the remuneration passed by the Board of Directors exceeds the recommendation of the Compensation Compensation Committee, the circumstances and cause for the difference shall be specified): None.
2. If there are dissenting or reserved opinions from members of the Compensation Compensation Committee on the matters to be resolved, and there are records or written statements, the following information should be disclosed: the date of the Compensation Committee meeting, the session, content of the motion, the opinions of all members, and how the opinions of the members were handled:

Compensation Committee	Content of the Motion	Resolution	Company's Handling of the Compensation Committee's Opinions
The 7th Meeting of the 5th Session 2024.01.25	1. Discussion on 2023 annual remuneration payment method for employees and directors. 2. Discussion on 2023 year-end bonus distribution for managers. 3. Discussion of 2023 Performance Appraisal Evaluation and 2024 Performance Indicator and Remuneration for the Managers of the Company.	All committee members agreed and approved.	It was submitted to the Board of Directors and approved accordingly.
The 1st Meeting of the 6th Session 2024.07.12	1. Election of the Convener for the Company's 6th Compensation Committee. 2. Discussion on Performance Bonus Distribution for Employees and Managerial Staff	All committee members agreed and approved.	It was submitted to the Board of Directors and approved accordingly.
The 2nd Meeting of the 6th Session 2025.02.27	1. Discussion of 2024 Remuneration Distribution for the Employees and Directors of the Company. 2. Discussion on 2024 year-end bonus distribution for managers. 3. Discussion of the Performance Evaluation Indicators for Managerial Officers for 2024.	All committee members agreed and approved.	It was submitted to the Board of Directors and approved accordingly.

Note:

- (1) If a member of the Compensation Compensation Committee resigns before the end of the fiscal year, the date of resignation should be indicated in the remarks column. The actual attendance rate (%) should be calculated based on the number of Compensation Committee meetings held during their tenure and their actual attendance at those meetings.
- (2) For any changes to the Compensation Committee membership before the end of the fiscal year, both the new and former members must be listed. A note should indicate whether each member is new, returning, or re-elected, along with the date of the change. The actual attendance rate (%) should be calculated based on the number of Compensation Compensation Committee meetings held during their tenure and their actual attendance at those meetings.
- (3) Nomination Committee Member Information: The Company has not yet established a Nomination Committee.

5. The Implementation Status of Sustainable Development and Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons:

Evaluation item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary description	
1. Does the Company establish a governance structure to promote sustainable development, and set up a full-time (part-time) unit to promote sustainable development, and the senior management authorized by the Board of Directors to be in charge of handling the sustainable development, and being supervised by the Board of Directors?	V		The Company established the Sustainability Committee on 2023.11.03 and the Board of Directors appointed three committee members, two of whom are the independent directors of the Company, and one member is appointed as the convenor and the meeting chair. Under this Committee, three functional teams including the "Sustainability Development Promotion Team", "Ethical Operation Promotion Team", and "Risk Management Promotion Team" have been formed, and are responsible for promoting corporate governance and ensuring the promotion and implementation of work related to the sustainable development of enterprises. One executive secretary is appointed to the Committee to be responsible for the affairs related to this committee's meetings and implementations of the tasks appointed by the committee. The powers of the Sustainability Committee include: 1. Formulate the Company's sustainable development direction, strategies and goals, and formulate relevant management policies and specific promotion plans. 2. Formulate enterprise sustainable development planning, strategies and execution actions including the formulation of sustainable governance, ethical operation management, and environmental and social goals. 3. Promote and implement the Company's work on ethical operation management and risk management. 4. Review the implementation and effectiveness of the Company's sustainable development, revise its strategic goals and relevant rules and regulations, and submit reports to the Board of Directors on a regular basis. 5. Other matters handled by this committee upon resolution of the Board of Directors. This committee held a total of 2 meeting from its establishment on 2023.11.03 to the publication date of this annual report, with an attendance rate of 100%. Upcoming agenda items for the Board of Directors, to be reported on August 9, 2024, include: a report on the Company's greenhouse gas inventory and verification efforts, a report on the company's commitment to the Science Based Targets initiative (SBTi), a report detailing the execution of the Company's risk management operations, and an update on the compilation of the Sustainability Report.	None.
2. Does the Company assess ESG risks evaluation associated with its operations based on the principle of materiality, and establish related risk management policies or strategies? (Note 1)	V		1. This disclosure scope covers the important operating locations and corporate sustainability management and performance of Celxpert from January 2024 to December 2024. The content includes economic, environmental and social aspects. The operating locations include the Taiwan headquarters (Taoyuan Longtan Factory) and Kunshan Factory in Jiangsu, Mainland China, and presented information on important issues in the past two years.	None.

Evaluation item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons																					
	Yes	No	Summary description																						
			2. Our Sustainability Committee analyzes material ESG issues by applying the materiality principle outlined in the Sustainability Report. This involves active communication with both internal and external stakeholders. The committee also reviews domestic and international research reports and literature, integrating evaluation data from various departments and subsidiaries. Based on this comprehensive assessment, we identify significant ESG issues, establish risk management policies for effective identification, measurement, evaluation, oversight, and control, and implement concrete action plans to mitigate the impact of these risks. 3. Based on the assessed risks, formulate relevant risk management policies or strategies as follows: <table><tr><th>Risk issues</th><th>Impact on the Company</th><th>Coping strategies and benefits</th></tr><tr><td>New Statute or Regulatory Requirements</td><td>Changes in laws and regulations affect the mode of operation</td><td>Review the existing operating model and make adjustments to ensure that the Company complies with laws and regulations, which will help promote corporate governance and enhance the Company's image.</td></tr><tr><td>In-plant disasters (power outages, fires)</td><td>Cause property loss of the Company, or damage to customer products.</td><td>Regular inspection of fire safety and production equipment, emergency response drills, in order to mitigate the impact in the event of a disaster.</td></tr><tr><td>Increased demand for production</td><td>Insufficient manpower and increased production costs</td><td>Adjust manpower response, and continue to conduct market research and understand industry trends to flexibly respond to production needs.</td></tr><tr><td>Supplier unable to ship</td><td>Affect product shipments, resulting in reduced production capacity and also affect the Company's operations.</td><td>Maintain the cooperative relationship with suppliers, strengthen the supply chain and inventory management, in order to maintain the Company's operations and financial operations. Social</td></tr><tr><td>Loss of key talents</td><td>Brain drain will affect morale and increase the cost of training and training.</td><td>Analyzing the reasons for brain drain, strengthening labor-management communication, discovering high-potential talents and cultivating successor plans will help enterprises develop.</td></tr><tr><td>Workplace safety risks</td><td>If a major accident occurs, it will not only cause injury to employees, but also affect the image of the Company.</td><td>Strengthen environmental safety and health functional training, continue to promote the environmental safety and health management system, build employees' awareness of equipment and work safety, and reduce the incidence of accidents. Environmental</td></tr></table>	Risk issues	Impact on the Company	Coping strategies and benefits	New Statute or Regulatory Requirements	Changes in laws and regulations affect the mode of operation	Review the existing operating model and make adjustments to ensure that the Company complies with laws and regulations, which will help promote corporate governance and enhance the Company's image.	In-plant disasters (power outages, fires)	Cause property loss of the Company, or damage to customer products.	Regular inspection of fire safety and production equipment, emergency response drills, in order to mitigate the impact in the event of a disaster.	Increased demand for production	Insufficient manpower and increased production costs	Adjust manpower response, and continue to conduct market research and understand industry trends to flexibly respond to production needs.	Supplier unable to ship	Affect product shipments, resulting in reduced production capacity and also affect the Company's operations.	Maintain the cooperative relationship with suppliers, strengthen the supply chain and inventory management, in order to maintain the Company's operations and financial operations. Social	Loss of key talents	Brain drain will affect morale and increase the cost of training and training.	Analyzing the reasons for brain drain, strengthening labor-management communication, discovering high-potential talents and cultivating successor plans will help enterprises develop.	Workplace safety risks	If a major accident occurs, it will not only cause injury to employees, but also affect the image of the Company.	Strengthen environmental safety and health functional training, continue to promote the environmental safety and health management system, build employees' awareness of equipment and work safety, and reduce the incidence of accidents. Environmental	
Risk issues	Impact on the Company	Coping strategies and benefits																							
New Statute or Regulatory Requirements	Changes in laws and regulations affect the mode of operation	Review the existing operating model and make adjustments to ensure that the Company complies with laws and regulations, which will help promote corporate governance and enhance the Company's image.																							
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Supplier unable to ship	Affect product shipments, resulting in reduced production capacity and also affect the Company's operations.	Maintain the cooperative relationship with suppliers, strengthen the supply chain and inventory management, in order to maintain the Company's operations and financial operations. Social																							
Loss of key talents	Brain drain will affect morale and increase the cost of training and training.	Analyzing the reasons for brain drain, strengthening labor-management communication, discovering high-potential talents and cultivating successor plans will help enterprises develop.																							
Workplace safety risks	If a major accident occurs, it will not only cause injury to employees, but also affect the image of the Company.	Strengthen environmental safety and health functional training, continue to promote the environmental safety and health management system, build employees' awareness of equipment and work safety, and reduce the incidence of accidents. Environmental																							

Evaluation item	Implementation status					Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary description			
			The impacts caused by climate change Rising awareness of environmental protection and stricter regulations	To minimize harm to the environment and ensure compliance with environmental regulations Replace old equipment with new ones to reduce energy consumption.	Continue to promote the concepts of energy saving, carbon reduction and environmental protection. Mandatory identification, collection, and regular updating of relevant laws and regulations. Production equipment and control equipment are replaced with new ones to maintain their efficiency and reduce energy consumption.	
3. Environmental issues (1) Does the Company establish proper environmental management systems based on the characteristics of their industries?	V		(1) Committed to the goal of sustainable corporate operations, Celxpert has implemented an ISO 14001 Environmental Management System. We are actively dedicated to environmental management and improving environmental performance, diligently monitoring and managing potential environmental and human health hazards stemming from our production processes, including those related to air, water, waste, toxic substances, and noise. To ensure consistent execution, we have established a comprehensive Environmental Policy. This policy ensures that the spirit of environmental protection is integrated into all relevant company affairs. Recognizing the increasing public environmental awareness and tightening regulations in recent years, we are dedicated to aligning with global trends and complying with relevant environmental laws. This commitment necessitates enhancing our source management concepts and refining our pollution prevention and control technologies. To manufacture high-quality battery module products and uphold our corporate philosophy in support of the green and environmental protection movement, we are committed to and guided by the following environmental policies, which serve as the foundation for all our actions and continuous efforts: 1) Environmental Protection is of Utmost Importance: Comply with national environmental regulations and other requirements, and enhance the environmental awareness of all employees. 2) Market Comes First: Persist in continuous improvement of environmental performance, strengthen environmental substance control and pollution prevention, and expand the Company's service market. 3) Profitability is the Top Priority: Make full and reasonable use of resources and energy, gradually achieve the environmental goals of energy conservation and waste reduction, and reduce production costs			None.

Evaluation item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary description	
(2) Does the Company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	V		4) People are the Fundamental Priority: Improve the working and living environment of employees and ensure the effective operation of the system. To sum up the above environmental policies, the Company will continue to publicize and educate employees, so that they understand and maintain this policy as the highest guiding principle of the Company's environmental management. (2) Celxpert Energy Corp. starts from an environmentally friendly perspective, the production sites have obtained ISO 9001 & 14001 certification for quality and environmental management systems, OHSAS 18001 certification for occupational health and safety management system, and IECQ QC080000 verification for hazardous substance management process system. We actively comply with the prohibition of hazardous substances, enhance product environmental protection, and uphold green and sustainable development. We take concrete actions for environmental protection and effectively implement the Electronic Industry Code of Conduct, promoting corporate social responsibility. We are committed to improving and balancing the economy, environment, and society.	None.
(3) Does the Company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	V		(3) 1) In response to the climate risks caused by carbon emissions, Celxpert implements annual organizational greenhouse gas (GHG) inventories in accordance with ISO 14064-1 starting from 2022, disclosing emissions in Scopes 1, 2, and 3, and the report has obtained third-party verification. 2) In response to the impact of climate change and the concerns of various stakeholders on sustainability issues, the Company voluntarily implements climate actions and adopts a more scientific approach to set goals that will help control global warming to no more than 2°C (in response to the Paris Agreement) and even to the carbon reduction target of 1.5°C (in response to the IPCC's "Special Report on Global Warming of 1.5°C"). The Company adopted the Science Based Target initiative (SBTi) near-term target in November 2023 to demonstrate its determination to respond to climate change and energy saving and carbon reduction. 3) The goals are set as follows: By 2030, reduce combined Scope 1 and Scope 2 greenhouse gas emissions by 42% compared to the 2021 baseline year, and achieve a 25% reduction in Scope 3 emissions related to purchased goods and services. This goal aligns with the global climate target set by the Intergovernmental Panel on Climate Change (IPCC) to limit global warming to 1.5°C.	None.

Evaluation item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons																																	
	Yes	No	Summary description																																		
			4) The Company shall achieve the goal of using 100% renewable energy in the Taiwan sites by 2035; and by 2040, it shall achieve the goal of using 100% renewable energy in the global sites.																																		
(4) Does the Company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?	V		(4) In response to the requirement of reducing carbon emissions to protect the Earth, the Company strives to monitor and implement carbon footprint reduction programs at our operational sites. We are progressively improving and enhancing energy efficiency in various power systems areas, such as lighting, and encouraging our colleagues to continuously innovate and strive for energy savings, cost reduction, improved production efficiency, per capita output, and waste utilization in various fields. We also promote effective energy-saving measures with the aim of reducing our environmental impact. Data scope: (Longtan factory in Taiwan and Kunshan factory in Mainland China) ★Greenhouse Gas Emissions Unit: Metric Ton CO2e <table><tr><th>No. Year</th><th>Scope 1</th><th>Scope 2</th><th>Scope 3</th><th>Total</th></tr><tr><td>2023</td><td>506.77</td><td>2,854.55</td><td>4,769.35</td><td>8,130.67</td></tr><tr><td>2024</td><td>370.50</td><td>2,650.89</td><td>4,546.13</td><td>7,567.52</td></tr></table> External Verification Year: 2023 and 2024 Verification Agency: TÜV Rheinland Taiwan Ltd., Ti Certification (Shanghai) Ltd. Verification Standards: ISO 14064-1:2018 Verification Results: Passed for 2022 and 2023 ★Water Resource Management Unit: Metric Ton <table><tr><th>No. Year</th><th>Water Consumption</th></tr><tr><td>2023</td><td>89,138</td></tr><tr><td>2024</td><td>45,058</td></tr></table> In response to the growing challenges posed by climate change and its impact on water resources, Celxpert Energy Corp. has continued to implement a range of water conservation initiatives. In addition to promoting water-saving practices during the summer months, the company has installed water-efficient faucets and remains committed to improving overall water usage efficiency. The Company also closely monitors external water supply conditions and internal water demand to ensure sustainable water management. ★Total Weight of Waste Unit: Metric Ton <table><tr><th>No. Year</th><th>Hazardous Waste</th><th>Non-Hazardous Waste</th><th>Total</th></tr><tr><td>2023</td><td>7.72</td><td>134.88</td><td>142.60</td></tr><tr><td>2024</td><td>7.49</td><td>141.37</td><td>148.86</td></tr></table> External Certification Years: 2023 and 2024 Certification Body: SGS Taiwan Limited Certification Standard: IECO-OC 080000	No. Year	Scope 1	Scope 2	Scope 3	Total	2023	506.77	2,854.55	4,769.35	8,130.67	2024	370.50	2,650.89	4,546.13	7,567.52	No. Year	Water Consumption	2023	89,138	2024	45,058	No. Year	Hazardous Waste	Non-Hazardous Waste	Total	2023	7.72	134.88	142.60	2024	7.49	141.37	148.86	None.
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Evaluation item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary description	
			Certificate Validity: November 29, 2021 ~ November 28, 2024 Certificate Renewal Validity: November 29, 2024 ~ November 28, 2027 Celxpert Energy Corp. takes the initiative to implement the prohibition of hazardous substances, improve product environmental protection and maintain Corporate Green Sustainable Development. It takes concrete actions to contribute to environmental protection and ensures compliance with relevant regulations throughout its operations. To effectively manage waste at its facilities, the Company is dedicated to promoting diversified waste treatment policies and establishing control documents. Through practical actions, it achieves effective waste management and disposal. From 2023 to 2024, there were no incidents of environmental pollution causing losses for the Company. The Company's Waste Management Process: ① Compliance with relevant laws and regulations: Formulate waste management policies. ② Formulate relevant regulatory documents: waste management procedures. ③ Concrete actions for waste reduction: product design adjustment and process change, promotions related to environmental protection in the factory, waste and paper reduction and classification. ④ Waste disposal: industrial waste disposal, general waste disposal, resources recycling. All products manufactured by Celxpert Energy Corp. comply with international regulations and customer requirements. The Company has continuously maintained its certification under the IECQ QC 080000 standard from SGS Taiwan Limited (certificate valid from November 29, 2024, to November 28, 2027). This certification affirms the effectiveness of the Company's Hazardous Substance Process Management (HSPM) system and significantly reduces the risk of non-compliance with various legal and directive requirements.	
4. Social issues (1) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	V		(1) Celxpert Energy Corp. adheres to the policy of respecting employees and sustainable operation, regards employees as extremely important resources. To demonstrate and protect employees' rights, the Company strictly abides by the United Nations Global Compact (UNGC) , Responsible Business Code of Conduct (RBA) , local laws and regulations, and others in order to protect the rights and interests of employees. According to relevant government regulations, various personnel rules and regulations are established in accordance with the law to ensure that the labor rights and interests of employees are protected. We are committed to creating an inclusive and friendly working environment that promotes equality and does not	None.

Evaluation item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary description	
			discriminate against employees based on their race, social class, language, beliefs, religion, political affiliation, birthplace, gender, sexual orientation, age, marital status, appearance, physical or mental disabilities, or membership in a labor union. We strive to enhance equal opportunities and foster a diverse workforce by establishing effective communication mechanisms, providing comprehensive compensation and benefits, and offering training and development opportunities. Our main goal is to retain talent and promote the holistic development of our employees. 1) Human Resource Management Policy: ① Protection of employee/labor rights and rights ② Enhance the quality of enterprise/caring ③ Prioritize staff/training and development ④ Comply with national/labor laws and regulations ⑤ Create a warm / friendly workplace 2) Implementation Policy: ① Prohibition of forced labor and child labor. ② Support the prohibition of human trafficking. ③ Comply with all applicable wage and working hours regulations. ④ Provide a safe, healthy and harassment-free working environment. ⑤ Eliminate discrimination and bullying and ensure equal job opportunities. ⑥ Respect employees' freedom of association, implement peaceful assembly and collective coordination business rights. ⑦ Respect Privacy and Ensuring Compliance with Legal Requirements for the Collection and Use of Personal Data 3) Specific Actions: ① Implement a leave system with equal rights for males and females, and implement childcare leave without pay. Regardless of gender, everyone can apply according to the relevant procedures. ② By convening a personnel review committee to review relevant promotions of employees, the Company treats each employee in a fair, open, and impartial manner to enhance the harmonious relationship between labor and management. ③ Implement the leave system and encourage employees to pay attention to work-life balance. ④ The Company performs operating environment monitoring twice a year to protect workers from harmful substances in the workplace.	

Evaluation item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary description	
(2) Does the Company have reasonable employee benefit measures (including salaries, leave, and other benefits) , and do business performance or results reflect on employee salaries appropriately?	V		(2) The Company has formulated relevant salary and remuneration measures such as "Welfare Granting Operation Measures", "Performance Appraisal Management Measures", and "Reward and Punishment Management Measures". The salary and compensation system is based on the employee's academic background and experiences, professional knowledge and technology, professional seniority, personal performance and contribution to the Company, and then combined with the Company's operating performance. We firmly believe that employees are the Company's greatest asset. The Company does not treat management, direct and indirect personnel differently due to factors such as gender, race, religion, and politics. The Company regularly obtains credible salary level surveys through professional organizations, and reviews the Company's remuneration system, hopes that the Company's compensation system is fairly competitive in the market, and looks forward to attracting and retaining outstanding talents through competitive remuneration conditions. The main rewards for employees include: 1) Employee Remuneration: If there is a surplus in the Company's annual general financial statement, according to Article 28 of the Company's Articles of Association, 3% to 12% of employee remuneration will be allocated before tax, and it will be distributed according to individual performance and contribution to the Company . In accordance with the Securities and Exchange Act, the Company has amended its Articles of Incorporation to safeguard the rights and interests of grassroots employees. The amendment will be implemented upon approval at the 2025 Annual General Shareholders' Meeting. 2) Year-end Bonus: Issuance according to the Company's operating performance and the employee's individual performance. 3) Annual Promotion and Salary Adjustment: Promotion and salary adjustment are carried out every year according to the individual performance of employees and the Company's operating performance. 4) Employee Shareholding Trust: In order to improve employee welfare and encourage employees to save, the Company has planned an "Employee Shareholding Trust" system in September 2021, and has established the Shareholding Trust Committee.	None.

Evaluation item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons																
	Yes	No	Summary description																	
(3) Does the Company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	V		(3) Employees are the most important assets of the Company. It is necessary for the Company to provide a complete safe and healthy environment. Therefore, the Company, which is superior to 【Occupational Safety and Health Act】 and 【Regulations of the Labor Health Protection】 and other laws and regulations, conducts a health check-up once a year for all employees to safeguard their physical and mental health, prevent occupational diseases, and serve as a reference for work arrangements and improvement of the working environment. <table> <tr> <th colspan="3">【Regulations of the Labor Health Protection】 Provisions</th> <th>Celxpert Energy Corp. Provisions</th> </tr> <tr> <th>Age</th> <th>Health Check Frequency</th> <th>Age</th> <th>Health Check Frequency</th> </tr> <tr> <td>Over 65 years old</td> <td>Once a year</td> <td rowspan="3">Regardless of age</td> <td rowspan="3">Once a year</td> </tr> <tr> <td>Over 40 years old, but under 65 years old</td> <td>Once every three years</td> </tr> <tr> <td>Under 40 years old</td> <td>Once every five years</td> </tr> </table> The Company has established on-site medical and nursing personnels to provide occupational disease advice, health management, and related health consultations for employees. In addition to providing on-site medical services and arranging health check-ups, the Company has planned corresponding hardware facilities (medical room/nursing room) and installed Automated External Defibrillators (AEDs) in the Company lobby in compliance with the Emergency Medical Services Act., as well as has conducted health seminars to ensure employees work contentedly in a healthy workplace. To protect employees from the hazards of harmful substances in the workplace and provide a healthy and comfortable working environment, the Company conducts environmental monitoring twice a year. The results of the monitoring all are all qualified and in line with the standards. The Company is committed to establishing a comprehensive occupational health and safety management system, proactively driving preventive and emergency response measures for workplace incidents. This includes structured safety and health protocols for factory equipment, chemical substances, and fire prevention facilities. To uphold workplace safety standards, the Company	【Regulations of the Labor Health Protection】 Provisions			Celxpert Energy Corp. Provisions	Age	Health Check Frequency	Age	Health Check Frequency	Over 65 years old	Once a year	Regardless of age	Once a year	Over 40 years old, but under 65 years old	Once every three years	Under 40 years old	Once every five years	None.
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Evaluation item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary description	
(4) Does the Company provide its employees with efficient career development and training sessions?	V		has implemented rigorous inspection measures covering personnel, equipment, and the working environment. These efforts ensure employee well-being, protect equipment integrity, enhance operational safety, and foster a high-quality, secure workplace. Additionally, the Company continues to maintain its ISO 45001 certification from SGS United Kingdom Ltd., valid from September 4, 2023, to September 3, 2026. Regarding occupational accident statistics, the factory reported no workplace incidents during 2023-2024. (4) Celxpert Energy Corp. recognizes that talents are the assets of the Company, and cultivating talents is an important factor for the continuous expansion of the Company. Regardless of gender and age, a systematic cultivation system has been established, and a comprehensive internal education and training system has been formulated to meet the needs of various departments. Investigate and plan various training courses to ensure that employees and supervisors not only have the skills to execute business, improve work quality and efficiency, but also take root in work and strengthen functional development. In addition to the internal training, employees can also arrange external training courses, obtain certificates, participate in practical and academic seminars, absorb external information and communicate with each other. Therefore, the rich, diverse and professional courses are the ways to support employees for improving their professional functions and development. In order to encourage the self-growth of employees and in accordance with the Company's promotion system, employees who intend to be promoted must complete the required training hours to ensure that they can meet the basic threshold of the functions of the position. In order to allow employees to have multiple learning channels, E-learning online has been launched since August 2019, so that staff can study independently after busy work to meet the learning needs of employees. In addition, in 2024, the number of internal training courses offered by Celxpert was 239, with a total of 3,114 participants, and the training hours were 7,705 hours; there were 70 external training courses with a total of 197 participants; the training hours were 435 hours; the total hours were 8,140 hours.	None.

Evaluation item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary description	
(5) Do the Company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer protection and grievance procedure policies implemented?	V		(5) The Company complies with customer and international environmental regulations, as well as the HSF (Hazardous Substance Free) regulations, we have established the "Green Product Management Guidelines" to ensure that all our products meet the environmental requirements of relevant international regulations and customer specifications. This includes adherence to environmental standards in the Company's product design and development, procurement, and supplier collaboration to minimize harms to the Earth environment and human health. Furthermore, we prioritize information security and customer privacy, we are committed to protecting the confidentiality of customer information to safeguard the rights of both the Company and our customers. To ensure the effective implementation of our information management systems and maintain the confidentiality, integrity, and availability of critical information systems, it is vital to ensure the secure operation of our information systems and achieve sustainable business operation.	None.
(6) Does the Company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational safety and health, or labor rights? And how is the implementation status?	V		(6) At Celxpert, we view our suppliers as long-term strategic partners. Beyond the essential requirements of competitive quality, technology, delivery, and cost, we are increasingly focused on their governance, environmental, and social performance. This emphasis allows us to collectively drive sustainable development across our value chain. Through regular risk assessments and supplier identification, we proactively address and rectify deficiencies to prevent potential risks and reinforce the sustainability of our supply chain. Our goal is to make suppliers key partners in advancing value chain sustainability. Our strategic approach includes: Setting short- and medium-term key objectives and developing concrete actions for effective implementation; Regularly identifying high-risk suppliers, requiring audits and time-bound improvements to reduce risks to a medium or low level; Ensuring strict adherence to our supply chain ESG policy, embodying our mission of "Green Living, Sustainable Development." Supply Chain Management Process 1) New Supplier Selection and Approval: New direct material suppliers must hold an ISO 9001 certificate and comply with environmental substance management requirements. We encourage and prioritize suppliers with ISO 14001 certification. All new suppliers undergo on-site audits before becoming official Celxpert suppliers. Our procurement contracts include standard product liability and confidentiality clauses, alongside comprehensive provisions for supplier codes of conduct, Responsible Business Alliance (RBA) Code of Conduct tenets, environmental	None.

Evaluation item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary description	
			protection, conflict minerals, fair competition, and anti-trust regulations. In 2022, 100% of our new supplier screening processes incorporated environmental and social criteria. 2) Continuous ESG Risk Management: For our ongoing suppliers, we conduct an initial desk audit using questionnaires and documentation. This helps us assess potential risks related to labor, health and safety, environment, business ethics, management systems, and supply chain management. We also review their compliance with our code of conduct, evaluate their ESG risk and capability levels, and distribute conflict minerals questionnaires to conduct due diligence on conflict minerals within our supply chain. 3) Performance Evaluation: To incentivize strong ESG performance, Celxpert incorporates supplier ESG risk values and capability levels into our quarterly business reviews. This allows us to recognize best-performing and most improved suppliers, leveraging our influence to drive continuous improvement across the supply chain. In 2023, supplier ESG cooperation was integrated into our quarterly business review response items to further enhance incentives. Suppliers providing greenhouse gas inventory data and ISO 14064 greenhouse gas inventory certification contribute 10% to their overall ESG performance score. 4) Supplier Collaboration and Long-Term Improvement: In 2022, Celxpert launched a supply chain sustainability cooperation program. We engage long-term suppliers in discussions about energy-efficient product requirements, logistics carbon reduction, and the application of energy-saving products. This collaboration helps achieve significant savings in material and operational costs, reduces carbon emissions, and contributes to environmental sustainability. Supplier Sustainable Engagement: Celxpert regards its suppliers as long-term partners crucial to our sustainability initiatives. Therefore, in addition to competitive quality, technology, delivery, and cost, we highly value our suppliers' performance in governance, environmental, and social aspects, including climate change mitigation efforts. To assist suppliers who have not yet conducted greenhouse gas inventories, Celxpert hosted a free two-day Chinese-language greenhouse gas training program for our tier-one suppliers, led by external consultants. The curriculum covered the ISO 14064 greenhouse gas inventory standard, including analysis of clauses, definitions of specialized terms, quantification tools, and calculation formulas. Practical examples illustrated the inventory process and key considerations, along with reporting structure and	

Evaluation item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary description	
			verification. Celxpert will continue to organize similar external training to enhance the overall ESG capabilities of our supply chain. Starting in 2022, Celxpert's suppliers are required to quantify their annual greenhouse gas emissions and provide necessary product-specific greenhouse gas data to support our product carbon footprint requirements. We also mandate that all supplier greenhouse gas inventory data obtain third-party verification statements by Q4 2025. Celxpert is committed to its corporate mission of "Green Living, Sustainable Development." We consistently collaborate with our suppliers on various energy-saving and carbon reduction projects. These initiatives not only reduce our own and our suppliers' operational costs but also enhance the overall competitiveness of the supply chain. Supply Chain Environmental Performance: Celxpert is committed to its corporate mission of "Green Living, Sustainable Development." We consistently collaborate with our suppliers on various energy-saving and carbon reduction projects. These initiatives not only reduce our own and our suppliers' operational costs but also enhance the overall competitiveness of the supply chain.	
5. Does the Company reference internationally recognized reporting standards or guidelines, and prepare sustainability reports that disclose non-financial information of the Company? Has the aforementioned reports obtained assurance or assurance opinions from a third party verification unit?	V		The Company promotes and practices Corporate Social Responsibility (CSR) proactivity, and we currently publish a CSR report every year, which summarizes the efforts and achievements in three main areas: corporate governance, green environment, and social care in the previous year, and demonstrates to stakeholders the Company's efforts and performance in the three sustainability indicators of governance, environment and society. The report is prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. To enhance the transparency of disclosures, it also references internationally recognized frameworks, including the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and the Sustainability Accounting Standards Board (SASB) standards. The report is compiled and disclosed in alignment with relevant domestic disclosure regulations and guidelines, including the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and the Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies. The current issuance was approved by the Board of Directors in August 2024 and has been publicly disclosed on the Company's official website. (https://zh-tw.celxpert.com.tw/pdf/308458) The Company's CSR report has not been certified by relevant institutions. The next publication: It is expected to be published after the Board's approval in August 2025.	None.

Evaluation item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons																		
	Yes	No	Summary description																			
6. If the Company formulates its own sustainable development code in accordance with the "Code of Practice for Sustainable Development of Listed OTC Companies", please describe the differences between its operation and the stipulated code: The Company has formulated the "Code of Practice for Sustainable Development", which was implemented after being approved by the Board of Directors on November 3, 2016, and placed on the Company's website (website: https://zh-tw.celxpert.com.tw/data_5936) HOME>Investor Area>Stock Affairs Information, the relevant operations are all in accordance with the rules and there is no difference.																						
7. Other important information that is helpful to understand the implementation of sustainable development: Take it from the society and give back to the society. While gaining economic benefits, Celxpert also expects to be able to give back the value of the enterprise to the community and society. Celxpert cultivates the relationship between local communities and schools, and supports the activities of non-profit organizations and associations, so that the Company's investment in community feedback and social participation can have far-reaching impact and significance, and enhance the role of civic enterprises. The main objects of our company's social care are schools and non-governmental organizations. In addition to providing resource-based care and assistance, we also expand the society's awareness of our company through the planning and design of activities. Celxpert believes that community feedback and social participation are not just about investing money , but to practice the role of a corporate citizen and expect to bring positive changes to society.																						
<table><tr><th colspan="3">List of community feedback and social participation</th></tr><tr><th>Service object</th><th>Sponsorship amount</th><th>Major Contents</th></tr><tr><td>Wuhan Elementary School</td><td>NT\$100,000</td><td>Establishment of Celxpert Scholarship (Targets are mainly impoverished students and those with disabilities)</td></tr><tr><td>Taoyuan Private Lohas Nursery</td><td>NT\$40,000</td><td>Donate to Operating Fund</td></tr><tr><td>Happiness Foundation</td><td>NT\$40,000</td><td>Donate to Operating Fund</td></tr><tr><td>Taoyuan Private Kangfu Intelligent Development Center</td><td>NT\$100,000</td><td>Donate to Operating Fund</td></tr></table>					List of community feedback and social participation			Service object	Sponsorship amount	Major Contents	Wuhan Elementary School	NT\$100,000	Establishment of Celxpert Scholarship (Targets are mainly impoverished students and those with disabilities)	Taoyuan Private Lohas Nursery	NT\$40,000	Donate to Operating Fund	Happiness Foundation	NT\$40,000	Donate to Operating Fund	Taoyuan Private Kangfu Intelligent Development Center	NT\$100,000	Donate to Operating Fund
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8. The climate related information and implementation status.																						
Item		Implementation Status																				
1. Describe the board and management's oversight and governance of climate-related risks and opportunities.		The Company's Board of Directors serves as the highest governance unit for climate change management and is responsible for the Company's response to climate change and related decisions. The "Sustainability Committee" under the board of director was established. Under this Committee, three functional teams including the "Sustainability Development Promotion Team", "Ethical Operation Promotion Team", and "Risk Management Promotion Team" have been formed, and are responsible for promoting corporate governance and ensuring the promotion and implementation of work related to the sustainable development of enterprises. Among them, the Sustainability Development Promotion Team regularly reports to the Board of Directors every year for the implementation results relating to the sustainable development committee such as climate change, to ensure the promotion and implementation of corporate sustainable development-related work. From the establishment of the Sustainability Committee in November 2023 to the publication date of this annual report, the Company's greenhouse gas inventory and verification implementation status and the Company's adoption of SBTi have been reported to the Board of Directors.																				

Evaluation item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary description	
2. Describe how the identified climate risks and opportunities will affect the Company's business, strategy and finance (short-term, medium-term, long-term) .			The Company is actively developing solutions in the hope of reducing the operational and financial impacts of climate change and improving organizational climate resilience. The potential operational and financial impacts of relevant climate risks and opportunities on the Company in the short-term (0-3 years) , medium-term (3-5 years) , and long-term (5 years and more) are assessed to plan various actions to respond to climate-related risks and opportunities. Celxpert regards net-zero emission policies as its first priority to comply with regulations and avoid violating regulations. Current regulations include reporting of Celxpert's greenhouse gas (GHG) emissions and legal requirements, including Greenhouse Gas Emission Reporting and Management Regulations in Jiangsu Province, China, and Climate Change Response Act and Corporate Governance Blueprint in Taiwan, all of which require accurate reporting on greenhouse GHG emissions to investors. Taiwan Government officially announced the "2050 Net-Zero Emission Policy Pathway Blueprint" in March 2022, providing a trajectory and action path to net-zero by 2050 to promote technology, research and innovation in key areas and guide the green transformation of the industry.	
3. Describe the financial impact of extreme climate incidents and transition actions.			To meet the requirements of achieving net-zero emissions, Celxpert must increase its investment in advanced equipment to implement negative carbon emissions technology. The Company will offset residual emissions through carbon trading to further reduce emissions beyond the supply chain. Additionally, Celxpert has invested in various activities aimed at achieving the net-zero goal, including energy conservation and carbon reduction projects, as well as investments in renewable electricity. These initiatives have enabled Celxpert to uncover new business opportunities through the adoption of innovative technologies.	
4. Describe how identification, assessment and management processes of climate risk are integrated into the overall risk management system.			In order to conduct climate risk assessment, the Company's Risk Management Promotion Team refers to the TCFD framework to formulate risk management policies and assessment procedures and operational procedures, which are the main standards for the management of issues related to climate risks and opportunities by Celxpert. The Sustainability Development Promotion Team considers the impact of climate change factors, thinks about how to reduce and mitigate risks, and identifies and responds to risks and opportunities.	
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be explained.			The Company has not yet performed TCFD scenario analysis.	
6. If there is a transformation plan to manage climate-related risks, describe the content of the plan, and the indicators and goals used to identify and manage physical risks and transformation risks.			In response to the climate risks caused by carbon emissions, Celxpert implements annual organizational greenhouse gas (GHG) inventories in accordance with ISO 14064-1 starting from 2022, disclosing emissions in Scopes 1, 2, and 3, and the report has obtained third-party verification. Celxpert has passed the Science Based Targets initiative (SBTi) GHG near-term reduction target verification in November 2023. The goals are set as follows: By 2030, GHG Scope 1 plus Scope 2	

Evaluation item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary description	
			will reduce carbon emissions by 42% compared with the base year of 2021, and emissions from purchased goods and services in scope 3 will be reduced by 25%, echoing the emission reduction path of 1.5°C set by the United Nations IPCC and achieve the global common climate goal. The Company shall achieve the goal of using 100% renewable energy in the Taiwan sites by 2035; and by 2040, it shall achieve the goal of using 100% renewable energy in the global sites.	
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.			The Company does not adopt internal carbon pricing.	
8. If climate-related goals are set, information such as the activities covered, greenhouse gas emission scope, schedule, annual achievement progress, etc. should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, information such as Explain the source and quantity of carbon reduction credits or the quantity of RECs being redeemed.			In response to the climate risks caused by carbon emissions, Celxpert implements annual organizational greenhouse gas (GHG) inventories in accordance with ISO 14064-1 starting from 2022, disclosing emissions in Scopes 1, 2, and 3, and the report has obtained third-party verification. Celxpert has passed the Science Based Targets initiative (SBTi) GHG near-term reduction target verification in November 2023. The goals are set as follows: By 2030, GHG Scope 1 plus Scope 2 will reduce carbon emissions by 42% compared with the base year of 2021, and emissions from purchased goods and services in Scope 3 will be reduced by 25%, echoing the emission reduction path of 1.5°C set by the United Nations IPCC and achieve the global common climate goal. The Company shall achieve the goal of using 100% renewable energy in the Taiwan sites by 2035; and by 2040, it shall achieve the goal of using 100% renewable energy in the global sites.	

Evaluation item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons	
	Yes	No	Summary description		
9. Greenhouse gas inventory and assurance status, reduction targets, strategies and specific action plans					
(1) Greenhouse gas inventory and assurance status for the past two years					
(1-1) Greenhouse gas inventory information					
Data scope: (Longtan factory in Taiwan and Kunshan factory in Mainland China)					
★Greenhouse Gas Emissions Unit: Metric Ton CO2e					
	No.	Scope 1	Scope 2	Scope 3	Total
Year					
2023		506.77	2,854.55	4,769.35	8,130.67
2024		370.50	2,650.89	4,546.13	7,567.52
★Intensity Unit: Metric Ton / Million NT\$					
	No.	Scope 1	Scope 2	Scope 3	Total
Year					
2023		0.07	0.40	0.66	1.13
2024		0.06	0.48	0.83	1.37
(1-2) Greenhouse gas assurance information					
★External verification institute					
	No.	Verification Institute	Verification Standard	Verification Result	
Year					
2023		TÜV Rheinland Taiwan Ltd. Ti Certification (Shanghai) Ltd.	ISO 14064-1:2018	Pass	
2024		TÜV Rheinland Taiwan Ltd. Ti Certification (Shanghai) Ltd.	ISO 14064-1:2018	Verification is scheduled at 2025/5	
(2) Greenhouse gas reduction goals, strategies and specific action plans: Celxpert remains steadfast in its business philosophy of "ethics and pragmatism, innovation and excellence, and quality assurance." to implementing actions in environmental sustainability, social care, and corporate governance. It is committed to achieving the United Nations Sustainable Development Goals (SDGs) and supporting international initiatives such as RE100 and SBTi. Through its environmental policies, Celxpert promotes sustainable development, demonstrating a strong commitment to addressing climate change, energy conservation, and carbon reduction, ultimately striving for carbon neutrality. Looking ahead, Celxpert aims to actively tackle climate change challenges by collaborating with upstream and downstream value chain partners, working progressively towards achieving the 2050 net-zero goal.					
★Net-Zero action strategy					
2021	2022	2023	2023	2050	
Commitment	Completion of ISO 14064-1 verification	Passed SBTi 1.5°C Target verification	Near-term goal	Long-term goal	
	· 2021 base year	· Obtain ISO-14067 Product Carbon Footprint Verification	· Scope 2 ↓42% · Scope 3: Purchase products and services ↓25% · RE100: Taiwan factory	· Scope 2 ↓95% · Scope 3 ↓90% · RE100: All sites	

Note 1: The principle of materiality refers to issues related to environment, society and corporate governance that have a significant impact on company investors and other stakeholders.

6. The situation and reasons for the performance of integrity management and the differences from the code of integrity management of listed OTC companies.

Evaluation item	Operation status (note)			The situation and reasons for the differences with the Code of Integrity Management of listed OTC companies
	Yes	No	Summary description	
1. Formulate integrity management policies and options				
(1) Does the Company formulate an honest management policy approved by the Board of Directors, and clearly state the policy and practices of honest management in regulations and external documents, as well as the commitment of the Board of Directors and senior management to actively implement the business policy?	V		(1) The Company has formulated the "Code of Integrity Management", which was revised and approved by the Board of Directors on March 8, 2018. It requires directors, managers and employees to follow integrity standards and establish a good corporate governance and risk control mechanism. The method has been disclosed on the Company's website for compliance.	None.
(2) Whether the Company has established a risk assessment mechanism for dishonesty, regularly analyzes and evaluates business activities with relatively high risks of dishonesty within the scope of business, and formulates a plan to prevent dishonesty based on this, and at least covers "listing on the OTC market" What are the preventive measures for the behaviors in the second paragraph of Article 7 of the Company's code of integrity management?	V		(2) The management of the Company attaches great importance to integrity management, and focuses on preventing fraud in the design of the internal management system, and uses system planning to prevent dishonesty and reduce the risk of dishonesty.	None.
(3) Does the Company clearly define operating procedures, behavior guidelines, punishment and appeal system for violations in the plan for preventing dishonesty, and implement it, and regularly review and revise the previous disclosure plan?	V		(3) The Company has formulated the "Code of Integrity Management", which includes the prohibition of dishonest behavior and the reporting system, and must promote the Company's core values through employee education and training, emphasizing the Company's policy based on integrity. The most recent revision of the "Code of Integrity Management" was approved by the Board of Directors on 2023.11.03.	None.
2. Implement integrity management				
(1) Does the Company evaluate the integrity records of its counterparties, and specify the terms of honest behavior in the contracts it signs with its counterparties?	V		(1) The Company upholds the principle of treating customers and suppliers fairly, and suppliers formulate confidentiality and integrity clauses in the contracts in accordance with the Company's "Supplier Management Measures" to ensure that both parties engage in fair and transparent transactions. If the manufacturer violates the terms of confidentiality and integrity and causes damage to the Company, it	None.

Evaluation item	Operation status (note)			The situation and reasons for the differences with the Code of Integrity Management of listed OTC companies
	Yes	No	Summary description	
(2) Has the Company set up a unit responsible for promoting corporate integrity management under the Board of Directors, and regularly (at least once a year) report to the Board of Directors its integrity management policies, plans for preventing dishonest behavior, and supervision and implementation? Does the Company formulate policies to	V		will demand compensation and take necessary legal actions. (2) The Company established the Sustainability Development Committee on 2023.11.03. A "Ethical Operation Promotion Team" was formed under the Committee. It is in charge by the administrative department of the Company to be responsible for the revision and promotion of relevant operating procedures and behavioral guidelines and reports its implementation result to the Board of Directors at the end of each year. Operation status: The Company established the "Ethical Operation Promotion Team" on 2024.11.08, which is a functional team of the Sustainability Committee under the Board of Directors. It regularly reports to the Board of Directors on the responsibilities and future plans of the promotion team members every year.	None.
(3) Whether the Company set up polies to prevent conflicts of interest, provide appropriate channels for statements, and implement them?	V		(3) The Company has formulated the "Code of Integrity Management", which was revised and approved by the Board of Directors on November 3, 2023, requiring directors, managers and employees to follow integrity standards and establish a good corporate governance and risk control mechanism. The method has been disclosed on the Company's website for compliance. Strengthen information disclosure In addition, the Company has set up a special area for stakeholders on the Company website as the appropriate communication channel. Please refer to page 46 of the annual report.	None.
(4) Whether the Company has established an effective accounting system and internal control system for the implementation of integrity management, and the internal audit unit draws up relevant audit plans based on the assessment results of dishonesty risks, and checks the plan for preventing dishonesty Follow the situation, or commission an accountant to perform the check?	V		(4) The Company has established an internal control system, internal audit implementation rules, accounting systems and various management regulations, and has implemented the requirements and norms of honest management in the implementation, internal audits and regular and irregular implementation of relevant auditing matters, and Report its results to the Board of Directors.	None.

Evaluation item	Operation status (note)			The situation and reasons for the differences with the Code of Integrity Management of listed OTC companies
	Yes	No	Summary description	
(5) Does the Company hold regular internal and external education and training on integrity management?	V		(5) In order to establish a corporate culture of integrity management, the Company not only promotes and implements the Company's integrity policy through guidance and training for new recruits, but also urges all colleagues to establish a good corporate culture based on integrity based on the business philosophy of integrity, transparency, and responsibility. Corporate governance and risk control mechanisms to ensure the implementation of honest business policies.	None.
3. The operation of the whistleblowing system of the Company				
(1) Has the Company established a specific whistleblowing and reward system, established channels to facilitate whistleblowing, and assigned appropriate specialists to handle whistleblowers?	V		(1) The Company provides legitimate reporting channels and keeps the identity of the reporting person and the content of the reporting confidential. Report hotline: 00886-3-4899054 ext. 1111. Report e-mail: integrity@celxpert.com.tw	None.
(2) Has the Company established a standard operating procedure for the investigation of the reported matter, the follow-up measures to be taken after the investigation is completed, and the relevant confidentiality mechanism?	V		(2) ~ (3) The Company has stipulated in the internal rules and regulations for reporting procedures and channels. 1) Establish reporting channels The Company provides legitimate reporting channels and keeps the identity of the reporting person and the content of the reporting confidential. Report hotline: 00886-3-4899054 ext. 1111. Report e-mail: integrity@celxpert.com.tw	None.
(3) Has the Company adopted measures to protect the whistleblower from being improperly dealt with due to whistleblowing?	V		2) Report a case For reporting cases, the window of the reporting unit is responsible for accepting matters related to the reporting. The window of the unit should carefully study the content of the report and consider the impact of the case, and classify the investigation and report according to the impact of the case.	

Evaluation item	Operation status (note)			The situation and reasons for the differences with the Code of Integrity Management of listed OTC companies
	Yes	No	Summary description	
			3) Investigation of reports and evidence After the reporting case is accepted, the relevant facts will be ascertained. If necessary, the personal information of the reporting person can be concealed and the necessary relevant units and legal unit can be contacted for assistance. 4) Handling of reporting cases If it is confirmed that the person being reported has indeed violated relevant laws or company rules, the person being reported should be immediately required to stop relevant duties and dealt with appropriately. And if necessary, request damages through legal procedures to safeguard the Company's rights and interests. Information such as the title, name, date of violation, content of the violation and handling of the violation will be immediately disclosed on the Company's internal website.	
4. Strengthen information disclosure Does the Company disclose the content of its integrity management code and promote its effectiveness on its website and public information observation station?	V		The Company has a website to disclose relevant information such as business philosophy and has a dedicated department responsible for the collection and release of various company information.	None.
5. If the Company formulates its own code of integrity in accordance with the "Code of Integrity for Listed OTC Companies", please describe the difference between its operation and the established code: the Company has implemented it in accordance with the established "Code of Integrity".				
6. Other important information that is helpful to understand the Company's integrity management and operation: (such as the Company's review and revision of its integrity management code, etc.): The Company's Board of Directors approved the revision of the Code of Integrity Business on November 3, 2024, and formulated the reporting process and channels.				

Note: Regardless of whether the operation status is checked "Yes" or "No", it should be stated in the summary description column.

7. Other important information sufficient to enhance the understanding of the operation of corporate governance may be disclosed together.

2024 directors' training status:

Job Title	Name	Training Date	Organizer	Course Title	Training hours
Chairman	Shih-Ming Huang	2024.04.12	Taiwan Corporate Governance Association	Shareholders' Meetings, Management Control and Equity Strategy	3
		2024.04.19	Greater China Financial and Economic Development Association / Taiwan Listed Companies Association	Strategic Management in the Digital Era	3
		2024.10.07	Chinese National Association of Industry and Commerce, Taiwan	Corporate Directors and Supervisors Training – 2024 Taishin Net Zero Summit Forum	3
Director	Ching-Jung Huang	2024.01.11	Taiwan Listed Companies Association	2024 Global Economic Outlook	3
		2024.04.18	Taiwan Institute of Directors	Perspectives on Wealth Succession Planning	3
		2024.09.12	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations	3
Director	Chien-Ting Chen	2024.07.03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit Forum	6
Director	Wen-Hung Huang	2024.09.10	Taipei Exchange	Insider Shareholding Awareness Briefing for TPEx Listed and Emerging Stock Companies	3
		2024.11.08	Taiwan Corporate Governance Association	Practical Analysis of Mergers & Acquisitions, Equity Investment Planning and Joint Venture Agreements	3
		2024.12.20	Securities & Futures Institute	Corporate Financial Awareness – Behavioral Finance and Business Decision-Making	3
Director	Chung-Kuei Hsu	2024.10.04	Taiwan Corporate Governance Association	Global Trends and Risk Management in Digital Innovation, Technology, and Artificial Intelligence Development	3
		2024.10.30	Taiwan Corporate Governance Association	Key Trends in Corporate Governance Evaluation Indicators Directors and Supervisors Must Know – Focus on Intellectual Property Management	3
		2024.11.08	Taiwan Corporate Governance Association	Practical Analysis of Mergers & Acquisitions, Equity Investment Planning and Joint Venture Agreements	3
		2024.11.26	Taiwan Corporate Governance Association	Analysis of Fiduciary Duty and Securities Fraud Cases in Dishonest Corporate Practices	3
Independent Director	Wei-Hung Lin	2024.10.25	Taiwan Corporate Governance Association	Trends in Anti-Money Laundering (AML) and Counter-Terrorist Financing (CTF) Management in the Financial Sector	3

Job Title	Name	Training Date	Organizer	Course Title	Training hours
		2024.11.08	Taiwan Corporate Governance Association	Practical Analysis of Mergers & Acquisitions, Equity Investment Planning and Joint Venture Agreements	3
Independent Director	Chih-Wei Tsai	2024.05.09	Taiwan Corporate Governance Association	Practical Sharing on Investment in Vietnam and Updates on Thai Investment Opportunities	3
		2024.11.08	Taiwan Corporate Governance Association	Key Considerations and Practical Insights for Investing in Thailand	3
		2024.12.17	Taiwan Corporate Governance Association	Executive Compensation Design Linked to ESG Performance	3
Independent Director	Jan-Yan Lin	2024.06.28	The Institute of Internal Auditors, R.O.C.	Power BI for Risk Assessment and Visual Analytics	6
Independent Director	Ming-Xiu Cheng	2024.10.25	Taiwan Corporate Governance Association	Trends in Anti-Money Laundering (AML) and Counter-Terrorist Financing (CTF) Management in the Financial Sector	3
		2024.12.13	Taiwan Corporate Governance Association	Introduction to Corporate Governance Personnel System and Legal Counsel's Role in Governance	3

The learning and training situation of managers in 2024:

Job Title	Name	Training Date	Organizer	Course Title	Training hours
Financial Supervisor	Chien-Yu Lin	2024.10.28	Accounting Research and Development Foundation	Strengthening the Functions of Internal Control and Board Governance – Case Studies on Corporate Fraud	6
		2024.10.30	Accounting Research and Development Foundation	Driving Corporate Sustainability Through “Risk Management”	6
Head of Corporate Governance	Dai-Ling Lin	2024.07.05	Accounting Research and Development Foundation	Driving Corporate Sustainability Through “Risk Management”	6
		2024.10.30	The Institute of Internal Auditors, R.O.C.	Audit Practices in the Preparation of Annual Business Plans and Budgets	6

Persons related to transparency of financial information, the relevant certificates and licenses specified by the competent authority: None

8. Matters to be disclosed regarding the implementation of the internal control system:

(1) Internal control statement:

CELXPRT ENERGY CORPORATION
Statement of Internal Control System

Date: March 14, 2025

Based on the results of self-assessment, the internal control system of the Company in 2024 is hereby declared as follows:

1. The Company knows that it is the responsibility of the Board of Directors and managers of the Company to establish, implement and maintain an internal control system, and the Company has already established such a system. Its purpose is to achieve the goals of operation effectiveness and efficiency (including profit, performance and asset security, etc.) , report reliability, timeliness, transparency and compliance with relevant norms and relevant laws and regulations, provide reasonable assurance.
2. The internal control system has its inherent limitations. No matter how perfect the design is, an effective internal control system can only provide reasonable assurance for the achievement of the above three objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system Subject to change. However, the Company's internal control system has a self-monitoring mechanism. Once a defect is identified, the Company will take corrective action.
3. The Company judges whether the design and implementation of the internal control system are effective based on the items for judging the effectiveness of the internal control system stipulated in the "Guidelines for the Establishment of Internal Control Systems for Publicly Issued Companies" (hereinafter referred to as "the Guidelines") . The internal control system judgment items adopted in the "Processing Criteria" are to divide the internal control system into five components according to the process of management control: 1. Control environment, 2.Risk assessment, 3. Control operation, 4.Information and communication, and 5.Supervise operations. Each constituent element in turn includes several items. For the aforementioned items, please refer to the provisions of the "the Guidelines".
4. The Company has adopted the above-mentioned internal control system to judge projects and evaluate the effectiveness of the design and implementation of the internal control system.
5. Based on the evaluation results in the preceding paragraph, the Company believes that the Company's internal control system (including the supervision and management of subsidiaries) on December 31, 2024, including understanding the effectiveness of operations and the degree to which efficiency goals are achieved, and reports are reliable , Timely, transparent, and compliance with relevant norms and relevant laws and regulations, the design and implementation of the relevant internal control system are effective, which can reasonably ensure the achievement of the above goals.
6. This statement will become the main content of the Company's annual report and prospectus, and will be made public. If there are falsehoods, concealment, or other illegal matters in the above-mentioned disclosed content, it will involve legal liabilities under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. This statement was approved by the Company's Board of Directors on March 14, 2025. The nine directors present all agreed with the content of this statement and hereby declare it.

CELXPRT ENERGY CORPORATION
Chairman and General Manager: Shih-Ming Huang

- (2) Those who entrust an accountant to review the internal control system shall disclose the accountant's review report: None.

9. Important resolutions of the shareholders' meeting and the Board of Directors in the most recent year and up to the date of publication of the annual report:

(1) Implementation of the resolutions of the 2024 ordinary shareholders meeting (2024.06.13):

No.	Important Resolutions	Implementation Status
1	Approved the Company's 2023 annual business report and financial statement approval. The case was passed by vote.	It has been announced on the MOPS.
2	Approved the 2023 Loss Off-Setting Proposals of the Company. The case was passed by vote.	It has been announced on the MOPS.
3	Passed the proposal for the 10th Board of Directors election. The case was passed by vote.	Implementation follows the procedure after the approval of the shareholders' meeting
4	Approve to lift the non-compete restriction on the directors of the Company. The case was passed by vote.	Implementation follows the procedure after the approval of the shareholders' meeting

Note: There are no extraordinary motions at the general meeting of shareholders of the Company, and there is no change in the agenda within 7 days before the meeting.

(2) Important resolutions passed by the Board of Directors as of the publication date of the annual report:

Board date	Important resolution
The 13th Meeting of the 9th Session 2024.03.15	(1) 2023 Business Report and Financial Reports for the Company.
	(2) 2023 Loss Off-Setting Proposals of the Company.
	(3) 2023 Cash Dividend Distribution for the Company.
	(4) Discussion of 2023 Remuneration Distribution for the Employees and Directors of the Company.
	(5) Discussion of the Annual Bonus Distribution for the Managers of the Company.
	(6) Discussion of 2023 Performance Appraisal Evaluation and 2024 Performance Indicator and Remuneration for the Managers of the Company.
	(7) 2024 Business Plan of the Company.
	(8) 2023 Internal Control System Declaration Statement of the Company.
	(9) Matters related to the 2024 Shareholders' Meeting of the Company and Acceptance of Shareholder Proposals for the Company.
	(10) The Nomination Period, Number of Seats to be Elected, and Nomination Acceptance Place for the Election of the 10th Board of Directors of the Company.
	(11) Approval of the Director (Including Independent Directors) Candidate List Nominated by the Board of Directors and Resolve for the Candidate Qualifications.
	(12) Lift of the Non-Compete Restriction for the Directors of the Company.
	(13) Lift of the Non-Compete Restriction for the Managers of the Company.
	(14) Renewal of Credit Line with Banks for the Company.
	(15) The Appointment of the CPA and Accounting Fee
	(16) Amendment of the "Audit Committee Charter" of the Company.
	(17) Amendment of the "Rules for Board of Directors Meetings" of the Company.
	(18) Amendment of the "Operation Procedures for Trading with Stakeholders Management" and rename to "Rules Governing Financial and Business Matters Between the Company and its Related Parties"

Board date	Important resolution
	(19) Abandonment of the Participation in 2024 First Cash Capital Increase Plan by the Company's Subsidiary Keelgoalal Energy Co., Ltd. in Response to Keelgoalal Energy's Future Application for the Stock Listing Plan and Relevant Equity Dispersion Operations. The Number of Shares Abandoned has Been Offered to the Company's Shareholders for Preferential Subscription Based on Their Shareholding Ratio.
The 14th Meeting of the 9th Session 2024.05.10	(1) 2024 Q1 Financial Report of the Company.
	(2) Renewal of Credit Line with Banks for the Company.
	(3) Provision of the Endorsement Guarantee for Celxpert Energy Corporation (Kunshan) by the Company.
The 1st Meeting of the 10th Session 2024.06.13	Proposal for Election of the Chairman of the Board
The 2nd Meeting of the 10th Session 2024.07.12	(1) The appointment of members to the 6th Compensation Committee.
	(2) Appointment of Members to the 2nd Sustainability Committee
	(3) Lift of the Non-Compete Restriction for the Managers of the Company.
The 3rd Meeting of the 10th Session 2024.08.09	(1) 2024 Q2 Financial Report of the Company.
	(2) Renewal of Credit Line with Banks for the Company.
	(3) Provision of the Endorsement Guarantee for 2nd Tier Subsidiary Celxpert Energy Corporation (Kunshan) by the Company.
	(4) Provision of the Endorsement Guarantee for 2nd Tier Subsidiary Celxpert Energy Corporation (Nantong) by the Company.
	(5) Proposal for Intercompany Loan to 2nd Tier Subsidiary Celxpert (Nantong) Energy Corporation Ltd.
	(6) Provision of the Endorsement Guarantee for Keelgoalal Energy Co., Ltd.
	(7) Construction Plan of the Company's 2nd Tier Subsidiary Celxpert (Nantong) Energy Corporation Ltd.
	(8) Discussion on Performance Bonus Distribution for Employees and Managerial Staff
	(9) Reviewed the preparation status of the 2023 Sustainability Report.
The 4th Meeting of the 10th Session 2024.11.08	(1) 2024 Q3 Financial Report of the Company.
	(2) Renewal of Credit Line with Banks for the Company.
	(3) Provision of the Endorsement Guarantee for 2nd Tier Subsidiary Celxpert (Kunshan) Energy Co.,Ltd. and Celxpert Energy Corporation (Nantong) by the Company.
	(4) Revisions to the Company's "Internal Control System" and "Internal Audit Implementation Rules."
	(5) Proposal for the adoption of the Company's "Procedures for the Preparation and Submission of Sustainability Reports."
	(6) Proposal for the revision of the Company's "Sustainable Development Best Practice Principles."
	(7) 2025 Audit Plan of the Company.
	(8) Amendment of the General Principle of the Non-Assurance Service Pre-Approval Policy revise Company.
The 5th Meeting of the 10th Session 2025.03.14	(1) 2024 Business Report and Financial Reports for the Company.
	(2) 2024 Loss Off-Setting Proposals of the Company.
	(3) 2024 Cash Dividend Distribution for the Company.
	(4) Proposed amendment to the Company's Articles of Incorporation.
	(5) Definition of the scope of entry-level employees.
	(6) Proposed amendment to the Company's "Procedures for Lending of Funds to Others."

Board date	Important resolution
	(7) Proposed amendment to the Company's "Procedures for Making of Endorsements/Guarantees."
	(8) Proposed amendment to the Company's "Rules for Director's Remuneration Distribution"
	(9) Discussion of 2024 Remuneration Distribution for the Employees and Directors of the Company.
	(10) Discussion on the Company's Director Remuneration Distribution for 2025
	(11) Discussion of the Annual Bonus Distribution for the Managers of the Company.
	(12) Discussion on the Company's Managerial Performance Evaluation Indicators for 2024
	(13) 2025 Business Plan of the Company.
	(14) 2024 Internal Control System Declaration Statement of the Company.
	(15) Matters related to the 2025 Shareholders' Meeting of the Company and Acceptance of Shareholder Proposals for the Company.
	(16) The Appointment of the CPA and Accounting Fee
	(17) Proposal to Cancel Endorsement and Guarantee for Subsidiary Keelgoal Energy Co., Ltd.
	(18) Proposal to Set the Record Date for the Conversion of the Company's Third Domestic Unsecured Convertible Corporate Bonds into Common Shares
	(19) Renewal of Credit Line with Banks for the Company.

10. If the directors or supervisors disagreed with the important resolutions of the Board of Directors in the most recent year and as of the date of publication of the annual report, and there are records or written statements, the main content: None.

2.4 CPAs Information on the Expenses of the Audit Firm:

Unit: NT thousand

Accounting firm name	Name of CPA	Accountant review period	Audit fees	Non-audit fees	Total	Note
KPMG (Taiwan)	Serena Hsin	2024.01.01~2024.12.31	3,070	1,935	5,005	Non-audit fees: 1. Tax certification NT\$ 575,000 2. TP professional review NT\$ 500,000 3. TP report NT\$ 810,000 4. Capital verification and change of registration NT\$ 50,000
	Wang, Yi-Wen					

Please specify the content of non-audit public service services: (such as tax visa, confirmation or other financial consulting services)

Note: If the Company has changed its accountant or accounting firm this year, please list the audit period separately, explain the reason for the change in the remarks column, and disclose the audit and non-audit public fees paid in order. Non-audit public fees should be accompanied by a note explaining the service content.

1. If the accounting firm is changed and the audit fee paid in the replacement year is less than the audit fee in the previous year, the amount of audit fees before and after the change and the reasons shall be disclosed: there is no such case.
2. If the audit public fee has decreased by more than 10% compared with the previous year, the amount, proportion and reason of the audit public fee reduction shall be disclosed: there is no such case.

2.5 Information about the Change of the Audit Firm: None

2.6 Information on Whether the Chairman, General Manager, or Manager Responsible for Finance or Accounting of the Company Had Served in the Affiliated Firms of the Audit Firm within the Past Year: None.

2.7 Transfer and Pledge of Shares by Directors, Supervisors, Managers, and Shareholders with a Holding of more than 10 Percent of Shares:

1. Changes in equity of directors, supervisors, managers and major shareholders:

Job Title	Name	2024		2025 (As of April 21)	
		Number of shares held increased (decreased)	Number of pledged shares increased (decreased)	Number of shares held increased (decreased)	Number of pledged shares increased (decreased)
Chairman and General Manager	Shih-Ming Huang	(250,000)	0	0	0
Director	Chien-Ting Chen	0	0	0	0
Director	Kaiseng Investment Co. Ching-Jung Huang	0	0	0	0
Director	KangHuei Investment Co., Ltd. Representative: Wen-Hung Huang	0	0	0	0
Director (Note 1)	KangHuei Investment Co., Ltd. Representative: Chung-Kuei Hsu	0	0	0	0
Director (Note 2)	Hao Bai Limited Representative: Jung-Chou Lee	0	0	0	0
Director (Note 2)	Yung-Tsai Chen	0	0	0	0
Independent Director	Wei-Hung Lin	0	0	0	0
Independent Director	Jan-Yan Lin	0	0	0	0
Independent Director	Chih-Wei Tsai	0	0	0	0
Independent Director	Ming-Xiu Cheng	0	0	0	0
Deputy General Manager (Note 3)	Chin-Te Chen	0	0	0	0
Deputy General Manager	Cheng-Yang Tsai	0	0	0	0
Deputy General Manager	Ching-Jung Huang	75,000 (79,000)	0	0	0
Associate	Chun-Che Hsu	0	0	0	0
Treasurer and head of accounting officer	Chien-Yu Lin	(1,000)	0	0	0
Head of Corporate Governance	Dai-Ling Lin	(9,000)	0	0	0

Note 1: Elected as new appointee on 2024.06.13.

Note 2: Stepped down upon re-election on 2024.06.13.

Note 3: Retired and stepped down on 2024.03.27.

2. Information on the relative of the equity transfer who is a related party:

Name	Reason for equity transfer	transaction date	Counterparty	The relationship between the counterparty of the transaction and the Company, directors, supervisors, managers, and shareholders holding more than 10% of the shares	Number of shares	Trading price
Ching-Jung Huang	Be gifted	2024.01.04	Mei-Dan Su	Relationship within the second degree	75,000	29.00

3. Information on the relative of the equity pledged person who is a related party: None

2.8 Information on Related Parties among the Top 10 Shareholders in terms of Shareholding Proportion in Accordance with the Financial Accounting Standards Bulletin No. 6:

Shareholding ratio accounts for the top ten shareholders, and their relationship information

2025/04/21

Name	Hold shares		Shares held by spouse and minor children		Holding shares in the name of others		The names and relationships of the top ten shareholders who are related to each other or who are spouses or relatives within the second degree.		Note
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Name	Relation	
Shih-Ming Huang	2,936,194	3.13%	—	—	1,289,657	1.37%	Ching-Jung Huang	Father and daughter	—
Representative of KangHuei Investment Co., Ltd.: Ling-Ju Huang	2,539,549	2.70%	—	—	—	—	—	—	—
Representative of Kaiseng Investment Co.: Ching-Jung Huang	1,590,577	1.69%	355	—	300,920	0.32%	Shih-Ming, Huang	Father and daughter	—
Yung-Tsai Chen	938,484	1.00%	—	—	—	—	—	—	—
General Manager Securities Corporation Trust Account - Celxpert employee holdings	878,941	0.94%	—	—	—	—	—	—	—
Chien-Ting Chen	802,811	0.85%	—	—	—	—	—	—	—
Cathay Securities Investment Trust Co., Ltd. – JP Morgan Securities Ltd. Investment Account	772,179	0.82%	—	—	—	—	—	—	—
CTBC Taiwan Green Energy and Electric Vehicle ETF Fund Account	760,000	0.81%	—	—	—	—	—	—	—
Citibank Custody Barclays Capital Securities Limited Investment Account	753,571	0.80%	—	—	—	—	—	—	—
Ping-Hung Tsai	567,000	0.60%	—	—	—	—	—	—	—

2.9 The Total Shareholding Ratio of the Company, the Directors, Managers, and Businesses Directly or Indirectly Controlled by the Company in the Same Investment Business, and the Comprehensive Shareholding Ratio after Consolidation:

Comprehensive shareholding ratio

December 31, 2024; unit: share; %

Invest in business	The Company invests		Investments of directors, supervisors, managers, and directly or indirectly controlled enterprises		Comprehensive investment	
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio
Celxpert Holdings Limited (BVI)	24,630,834	100%	-	-	24,630,834	100%
PT.Celxper Energy Indonesia	17,549	100%	-	-	17,549	100%
Advance Smart Industrial Limited (BVI)	-	-	50,000	100%	50,000	100%
Celxpert Energy (H.K.) Limited	-	-	14,219,520	100%	14,219,520	100%
Celxpert Energy International Limited (SAMOA) (Note 1)	-	-	-	-	-	-
Celxpert (Kunshan) Energy Co.,Ltd.	-	-	(Note 2)	100%	(Note 2)	100%
Celxpert (Nantong) Energy Corporation Ltd.	-	-	(Note 2)	100%	(Note 2)	100%
Celxpert (Changchun) Energy Corporation Ltd. (Note 1)	-	-	-	-	-	-
Creative Power Enterprises Inc. (SAMOA)	-	-	10,000,000	100%	10,000,000	100%
Keelgoal Energy Co., Ltd.	10,274,045	63.81%	-	-	10,274,045	63.81%

Note 1: Established but not yet invested.

Note 2: It is a limited company

III. Fundraising Status

3.1 Capital and Shares

1. Source of Capital

(1) Formation of Capital

Year/ Month	Issue Price (NT\$)	Authorized Capital		Paid-up Capital		Note		
		Number of Shares (thousands)	Amount (NT\$ thousands)	Number of Shares (thousands)	Amount (NT\$ thousands)	Source of Capital (NT\$ thousands)	Capital offset by non-cash assets	Others
1997.11	10	2,000	20,000	1,358.70	13,587	Establishment 13,587	None	-
1999.02	10	5,255	52,550	4,149.90	41,499	Capital increase through current issuance 27,912	None	-
2000.03	10	5,255	52,550	5,255.00	52,550	Capital increase through current issuance 11,051	None	-
2000.07	15	13,900	139,000	7,808.60	78,086	Capital increase through current issuance 25,536	None	-
2001.12	15	13,900	139,000	8,271.15	82,712	Capital increase through current issuance 4,625.5	None	-
2002.03	12	13,900	139,000	10,500.00	105,000	Capital increase through current issuance 22,288.5	None	Note 1
2003.06	15	20,000	200,000	20,000.00	200,000	Capital increase through current issuance 95,000	None	Note 2
2004.06	10	40,000	400,000	25,604	256,036	Profit transfer 56,036	None	Note 3
	18	40,000	400,000	29,604	296,036	Capital increase through current issuance 40,000	None	Note 3
2005.01	10	60,000	600,000	38,037	380,377	Profit transfer for capital increase NT\$54,738 thousand and capital surplus transfer for capital increase NT\$29,603 thousand	None	Note 4
2006.03	18	60,000	600,000	42,938	429,377	Capital increase through current issuance 49,000	None	Note 5
2006.01	10	60,000	600,000	52,713	527,126	Profit transfer 97,749	None	Note 6
2007.07	45	100,000	1,000,000	62,713	627,126	Capital increase through current issuance 100,000	None	Note 7
2007.08	10	100,000	1,000,000	74,268	742,685	Profit transfer 115,559	None	Note 8
2008.08	10	150,000	1,500,000	84,655	846,553	Profit transfer 103,868	None	Note 9
2009.07	10	150,000	1,500,000	89,703	897,034	Profit transfer 50,481	None	Note 10
2009.01	10	150,000	1,500,000	90,901	909,014	Conversion of corporate bonds 11,980	None	Note 11
2010.01	10	150,000	1,500,000	95,314	953,141	Conversion of corporate bonds 44,127	None	Note 12
2010.04	10	150,000	1,500,000	97,814	978,141	Conversion of corporate bonds 25,000	None	Note 13
2010.07	10	150,000	1,500,000	97,956	979,556	Conversion of corporate bonds 1,415	None	Note 14
2010.08	10	150,000	1,500,000	102,769	1,027,692	Profit transfer 48,136	None	Note 15
2010.01	10	150,000	1,500,000	107,355	1,073,548	Conversion of corporate bonds 45,857	None	Note 16
2011.01	10	150,000	1,500,000	107,493	1,084,929	Conversion of corporate bonds 11,381	None	Note 17
2011.04	10	150,000	1,500,000	107,951	1,079,509	Cancellation of treasury stocks 5,420	None	Note 18
2011.09	10	150,000	1,500,000	106,951	1,069,509	Cancellation of treasury stocks 10,000	None	Note 19

Year/ Month	Issue Price (NT\$)	Authorized Capital		Paid-up Capital		Note		
		Number of Shares (thousands)	Amount (NT\$ thousands)	Number of Shares (thousands)	Amount (NT\$ thousands)	Source of Capital (NT\$ thousands)	Capital offset by non-cash assets	Others
2011.11	10	150,000	1,500,000	101,951	1,019,509	Cancellation of treasury stocks 50,000	None	Note 20
2012.03	10	150,000	1,500,000	98,990	989,899	Cancellation of treasury stocks 29,610	None	Note 21
2014.09	10	150,000	1,500,000	94,990	949,899	Cancellation of treasury stocks 40,000	None	Note 22
2015.11	10	150,000	1,500,000	90,300	902,999	Cancellation of treasury stocks 46,900	None	Note 23
2016.08	10	150,000	1,500,000	86,800	867,999	Cancellation of treasury stocks 35,000	None	Note 24
2019.03	10	150,000	1,500,000	85,703	857,029	Cancellation of treasury stocks 10,970	None	Note 25
2019.08	10	150,000	1,500,000	83,306	833,059	Cancellation of treasury stocks 23,970	None	Note 26
2020.09	10	150,000	1,500,000	80,306	803,059	Cancellation of treasury stocks 30,000	None	Note 27
2023.10	26.4	150,000	1,500,000	8,000	883,059	Capital increase through current issuance 80,000	None	Note 28
2025.04	10	150,000	1,500,000	52,477	935,536	Conversion of corporate bonds 5,248	None	Note 29

Note 1: Approved change registration date and document number: March 21, 2002, granted under the reference number Shang Zi No. 09101093080.

Note 2: Approved change registration date and document number: July 10, 2003, granted under the reference number Zhong Zi No. 09232328000.

Note 3: Approved change registration date and document number: June 17, 2004, granted under the reference number Tai Cai Zheng Yi Zi No. 0930127107

Note 4: Approved change registration date and document number: October 13, 2005, granted under the reference number Zhong Zi No. 09432977920.

Note 5: Approved change registration date and document number: March 7, 2006, granted under the reference number Zhong Zi No. 09531797580.

Note 6: Approved change registration date and document number: October 3, 2006, granted under the reference number Shang Zi No. 09501225100.

Note 7: Approved change registration date and document number: July 11, 2007, granted under the reference number Shang Zi No. 09601160710.

Note 8: Approved change registration date and document number: August 29, 2007, granted under the reference number Shang Zi No. 09601210240.

Note 9: Approved change registration date and document number: August 22, 2008, granted under the reference number Shang Zi No. 09701208360.

Note 10: Approved change registration date and document number: July 30, 2009, granted under the reference number Shang Zi No. 09801169880.

Note 11: Approved change registration date and document number: October 15, 2009, granted under the reference number Shang Zi No. 09801237120.

Note 12: Approved change registration date and document number: January 18, 2010, granted under the reference number Shang Zi No. 09901011160.

Note 13: Approved change registration date and document number: April 20, 2010, granted under the reference number Shang Zi No. 09901078580.

Note 14: Approved change registration date and document number: July 22, 2010, granted under the reference number Shang Zi No. 09901157340.

Note 15: Approved change registration date and document number: August 13, 2010, granted under the reference number Shang Zi No. 09901185030.

Note 16: Approved change registration date and document number: October 18, 2010, granted under the reference number Shang Zi No. 09901234170.

Note 17: Approved change registration date and document number: January 19, 2011, granted under the reference number Shang Zi No. 10001010420.

- Note 18: Approved change registration date and document number: April 11, 2011, granted under the reference number Shang Zi No. 10001069620.
- Note 19: Approved change registration date and document number: September 1, 2011, granted under the reference number Shang Zi No. 10001203540.
- Note 20: Approved change registration date and document number: November 10, 2011, granted under the reference number Shang Zi No. 10001257090.
- Note 21: Approved change registration date and document number: March 26, 2012, granted under the reference number Shang Zi No. 10101051770.
- Note 22: Approved change registration date and document number: September 30, 2014, granted under the reference number Shang Zi No. 10301204400.
- Note 23: Approved change registration date and document number: November 13, 2015, granted under the reference number Shang Zi No. 10401242090.
- Note 24: Approved change registration date and document number: August 22, 2016, granted under the reference number Shang Zi No. 10501203470.
- Note 25: Approved change registration date and document number: March 27, 2019, granted under the reference number Shang Zi No. 10801033830.
- Note 26: Approved change registration date and document number: August 26, 2019, granted under the reference number Shang Zi No. 10801115950.
- Note 27: Approved change registration date and document number: September 1, 2020, granted under the reference number Shang Zi No. 10901157730.
- Note 28: Approved change registration date and document number: October 2, 2023, granted under the reference number Shang Zi No. 11230185200.
- Note 29: Approved change registration date and document number: April 17, 2025, granted under the reference number Shang Zi No. 11430043950.

(2) Share Types April 21, 2025 Unit: Shares

Share Types	Authorized Capital			Note
	Shares Outstanding	Unissued Shares	Total	
Registered Common Shares	93,553,607	56,446,393	150,000,000	OTC Stock

(3) Summary Declaration System Related Information: N/A.

- List of Major Shareholders: Names of shareholders with a shareholding ratio of 5% or more or among the top ten shareholders, along with the number of shares held and the corresponding ratio.

2025/04/21

No.	Account Number	Name of Major Shareholder	Number of Shares Held	Shareholding Ratio (%)
1	1	Shih-Ming Huang	2,936,194	3.13%
2	69151	Representative of KangHuei Investment Co., Ltd.: Ling-Ju Huang	2,539,549	2.70%
3	93164	Representative of Kaiseng Investment Co.: Ching-Jung Huang	1,590,577	1.69%
4	39	Yung-Tsai Chen	938,484	1.00%
5	111230	General Manager Securities Corporation Trust Account - Celxpert employee holdings	878,941	0.94%
6	55734	Chien-Ting Chen	802,811	0.85%
7	69125	Cathay Securities Investment Trust Co., Ltd. – JP Morgan Securities Ltd. Investment Account	772,179	0.82%
8	138442	CTBC Taiwan Green Energy and Electric Vehicle ETF Fund Account	760,000	0.81%
9	9904	Citibank Custody Barclays Capital Securities Limited Investment Account	753,571	0.80%
10	143364	Ping-Hung Tsai	567,000	0.60%

3. Company Dividend Policy and Implementation Status:

(1) Dividend Policy: The dividend policy of the Company is as follows:

The Company's industry is currently in a growth stage. The dividend distribution policy takes into account factors such as the Company's current and future investment environment, capital requirements, domestic and international competition, and capital budgeting. It aims to balance shareholder interests, dividend distribution, and long-term financial planning of the Company. Each year, the Board of Directors formulates a distribution proposal in accordance with the law, which is submitted to the shareholders' meeting. Depending on financial, business, and operational considerations, if the Company has profits available for distribution in the current year, the principle is to allocate an amount not less than 30% of the after-tax net profit for the year, with cash dividends accounting for at least 50% of the shareholder dividends.

(2) Proposed Dividend Distribution for the Current Year:

The Company proposes to distribute a cash dividend of NT\$0.5 per share, as decided by the Board of Directors:

Celxpert Energy Corporation Profit Allocation Statement for Year 2024	
	Unit: NTD
Item	Amount
Beginning Undistributed Earnings	\$330,282,442
Add: Net Loss After Tax for Year 2024	(98,413,307)
Add: Other Comprehensive Income for Year 2024 - Actuarial Loss on Defined Benefit Plans	(273,272)
Minus: Difference between Actual Acquisition or Disposal Price of Subsidiary Equity and Book Value	(300,804)
Minus: Legal Reserve (10%)	0
Available Distributable Earnings	231,295,059
Cash Dividends (\$0.5/share)	(46,976,197)
Ending Undistributed Earnings	\$184,318,862

4. Impact of Proposed Stock Dividend on Company's Business Performance and Earnings per Share: N/A.

5. Employee and Director Remuneration:

- (1) Percentage or range of employee and director remuneration as stated in the Company's articles of incorporation:

In the annual financial statements of the Company, if there is a profit, director remuneration and employee remuneration shall be allocated before tax. After the allocation is determined by the Board of Directors and taxes and donations are paid in accordance with the law, 10% shall be set aside as legal reserve for retained earnings. However, if the legal reserve for retained earnings has reached the total capital of the Company, this limitation does not apply. Additionally, an equal amount shall be allocated to the special reserve for retained earnings for the negative balance in the shareholder's equity accounts that occurred during the year. When the negative balance in the shareholder's equity accounts is reversed, the portion of the reversal may be transferred to the current year's profit distribution. If the Company has accumulated losses from previous years, in the year when there is a profit and before allocating director remuneration and employee remuneration, the losses should be offset first, and the remaining balance should be allocated in accordance with the aforementioned ratio. Employee remuneration, when provided in the form of stocks or cash, includes eligible subordinate employees meeting certain conditions.

If there are still undistributed earnings accumulated from the previous year, a proposal for profit distribution shall be prepared by the Board of Directors. When issuing new shares for profit distribution, it shall be submitted to the shareholders' meeting for resolution. In accordance with Article 240, Paragraph 5 of the Company Law, the Board of Directors is authorized to adopt a resolution with the attendance of two-thirds or more of the directors and the approval of a majority of the attending directors to distribute dividends or legal reserves for retained earnings and capital reserves specified in Article 241, Paragraph 1 of the Company Law, either in whole or in part, in the form of cash, and report it to the shareholders' meeting. The distribution ratios for director remuneration and employee remuneration are as follows::

- A. Director remuneration: Up to a maximum of 3%.
- B. Distribution of employee remuneration: 3% to 12%.

- (2) Basis for estimating the amount of employee, director, and supervisor remuneration for the current period, calculation basis for stock-based employee remuneration, and accounting treatment for the difference between the actual distribution amount and the estimated amount:

If there are still changes in the amount after the issuance of the annual financial report, they will be adjusted and recorded in the following year based on accounting estimation principles.

- (3) Distribution of remuneration by the Board of Directors: On March 14, 2025, the Board of Directors of the Company made the following decisions regarding remuneration:

- A. The amount of employee and director remuneration distributed in cash or stock. If there are differences between the amount recognized as expenses and the estimated amount for the year, the differences, reasons, and treatment should be disclosed:

Unit: NT\$ thousand			
Distribution Items (2024)	Amount Proposed for Distribution by the Board of Directors	Recognized Amount on the Books	Difference
Director Remuneration	0	0	0
Employee Remuneration	0	0	0

- B. The amount of employee remuneration distributed in stock and the ratio of such amount to the current period's individual or separate financial report's after-tax net income and total employee remuneration: N/A.

- (4) Actual distribution of employee, director, and supervisor remuneration in the previous year (including the number of shares, amount, and share price) , any differences with the recognition of employee, director, and supervisor remuneration should be stated, including the differences, reasons, and treatment:

Unit: NT\$ thousand				
Distribution Items (2023)	Payment Method	Board of Directors' Resolution Distribution Amount	Actual Distribution Amount	Difference
Director Remuneration	Cash	0	0	0
Employee Remuneration	Cash	0	0	0

6. Company's Repurchase of Company Shares: N/A

3.2 Company Bond Issuance Status:

(1) Company Bond Issuance Status:

Issuance of Corporate Bonds		The third domestic unsecured convertible corporate bonds
Issue (transaction) date		June 2, 2023
Par value		NT\$100,000
Issuance and trading venue (Note 1)		N/A
Issue Price		Issued at 100% of face value
Total		Total Fundraising Amount: NT\$400,000 thousand
Interest rate		Coupon rate 0%
Term		3 years; Maturity date: June 2, 2026
Guarantor		N/A
Trustee		Mega International Commercial Bank Co., Ltd.
Underwriter		Mega Securities Co., Ltd.
Legal Counsel		N/A
CPAs		N/A
Repayment method		The bond has a three-year term. Unless converted into the Company's common shares per Article 10 of the conversion rules, redeemed early by the Company under Article 18, or repurchased and canceled by securities firms, the Company will repay the bond in cash at par value plus a compensation interest of 1.5075% (equivalent to an effective annual yield of 0.5%) within ten business days following maturity.
Outstanding principal		NT\$213,100 thousand
Redemption or early repayment terms		Please refer to the issuance and conversion guidelines.
Restrictions (Note 2)		None
Credit rating agency, rating date, and bond rating result		N/A
Additional rights attached	Amount converted (exchanged or subscribed) into common shares, GDRs, or other securities as of the annual report publication date	NT\$186,900 thousand
	Terms of issuance and conversion (exchange or subscription)	Please refer to the issuance and conversion guidelines.
Potential dilution and impact on shareholder equity from terms of issuance and conversion, exchange, or subscription		Prior to the exercise of conversion rights by bondholders, the issuance of convertible bonds does not dilute existing equity. Furthermore, since bondholders may choose to convert at varying times, the dilution impact on earnings per share will be deferred and spread over time. Although issuing convertible bonds initially increases liabilities, upon conversion into common shares, liabilities are reduced and shareholders' equity is enhanced. In the long term, the impact on existing shareholder rights is not expected to be significant.
Custodian institution for underlying exchange securities		N/A

Note 1: Type of corporate bonds

Note 2: e.g., restrictions on cash dividend distribution, foreign investments, or maintenance of asset ratios.

(2) Convertible bond information

Issuance of Corporate Bonds		The third domestic unsecured convertible corporate bonds	
Year		2024	As of April 21 of the current year (Note 2)
Item			
Convertible bond conversion into company's market-priced common shares	Highest	140.10	103.90
	Lowest	101.80	103.90
	Average	116.45	103.90
Conversion price		NT\$33.10	
Issue (transaction) date and conversion price at issuance		June 2, 2023 NT\$35	
Method for performance of conversion obligations		Issuance of new shares	

Note: Due to the cash capital increase with the issuance of 8,000,000 ordinary shares by the Company, and the conversion price was adjusted in accordance with the Company's third domestic unsecured convertible corporate bond issuance and Article 11 of the conversion measures.

Starting from September 12, 2023, the conversion price is adjusted to NT\$33.1.

3.3 Special Share Issuance Status: None.

3.4 Overseas Depositary Receipts Issuance Status: None.

3.5 Status of employee stock ownership certificates: None.

3.6 Restricted Employee Share Issuance and Employee Stock Option Certificate Issuance Status: None.

3.7 Issuance of New Shares for Merger or Acquisition of Other Companies' Shares: None.

3.8 Execution Status of Fund Utilization Plan: None.

IV. Operational Overview

4.1. Business Content

1. Business Scope

(1) Main business activities:

- A. Electronic component manufacturing industry
- B. Battery manufacturing industry
- C. Electrical retail industry
- D. Electronic material retail industry
- E. Electrical wholesale industry
- F. Electronic material wholesale industry
- G. International trade industry

(2) Current product (service) items and business proportion

A. Current product (service) items

Product Category	Main Product Names
Battery Pack	A. Notebook computer battery packs B. Broadband communication equipment battery packs C. Tablet computer battery packs D. Industrial and agricultural electric tool battery packs E. Cloud camera and smart doorbell battery packs F. Cloud server backup power battery packs G. Energy storage and backup power battery packs H. Electric vehicle battery packs I. E-Bike battery packs

B. Business proportion of current products

Unit: NT\$ thousand

Business items	2023		2024	
	Revenue	Revenue proportion	Revenue	Revenue proportion
Lithium battery pack	7,142,937	99.16%	5,422,916	99.54%
Others	60,607	0.84%	24,861	0.46%
Total	7,203,544	100.00%	5,447,777	100.00%

(3) New products (services) under development:

- A. High-power lithium backup batteries for data centers
- B. Lithium batteries for commercial drones

2. Industry Overview

(1) Current Situation and Development of the Industry

Our company is a professional manufacturer of secondary battery packs for production, sales and research. Secondary battery packs refer to power products that are packaged by designing one or more secondary battery cells in series (or parallel) with protective and safety circuits and casings. The products are widely used in portable electronic products such as notebook computers (NB) , smartphones (SP) , wireless network surveillance systems and smart wearables. In recent years, due to the booming development of mobile electronic products, lithium batteries and their battery packs with long cycle life, low self-discharge rate, and high capacity density have become the mainstream products with the highest market growth rate and market share

Currently, secondary battery pack applications remain primarily driven by demand in the communications and information technology sectors, accounting for approximately 60% of total usage. However, with the growing demand for electric vehicles and power tools, the overall application landscape continues to expand. The Company's product focus centers on applications in notebook computers, power tools, network communication devices, and energy storage systems. The following is an analysis of the current market landscape for these application sectors in 2024:

1. Lithium battery pack

(1) Notebook computers

A. Demand-side analysis

- Market recovery and growth momentum: According to TrendForce, global notebook shipments in 2024 are projected to reach 174 million units, representing a year-over-year growth rate of approximately 3.9%.
- AI laptops driving demand: The year 2024 is regarded as a critical phase for the development of AI laptops, with major brands launching notebooks equipped with AI capabilities, further stimulating market demand.

B. Supply-side analysis

- Supply chain diversification: To mitigate geopolitical risks, notebook manufacturing is gradually shifting from China to countries such as Vietnam and Thailand. In 2024, Vietnam is expected to account for 6% of global notebook manufacturing, while Thailand will reach 2.3%, raising the total share of production outside China to 12.4%.
- Stable lithium battery supply: With demand rebounding, lithium battery suppliers such as Samsung SDI and LG Energy Solution are ramping up investments in capacity expansion to ensure stable supply and meet the needs of the notebook market.

Driven by the rise of AI technology, the notebook market in 2024 is showing a steady recovery, resulting in increased demand for lithium battery packs.

Supply chain diversification efforts are also contributing to improved stability, supporting a healthy market development trajectory.

Nevertheless, manufacturers continue to face geopolitical risks and economic uncertainties, prompting further supply chain restructuring. According to TrendForce, global notebook shipments in 2024 are expected to reach 173.65 million units, marking a 3.7% increase over 2023.

Notably, the share of notebook manufacturing in Vietnam and Thailand has increased to 6% and 2.3%, respectively, indicating a continued shift of the supply chain away from China.

(2) Power tool

A. Demand-side analysis

- Market size and growth: According to data from EVTank and China EV Economic Research Institute, the global power tool market is expected to reach USD 56.64 billion in 2024, reflecting significant year-on-year growth. By 2026, global power tool shipments are projected to reach 710 million units, with the market size exceeding USD 80 billion. From 2022 to 2026, the compound annual growth rate for shipments and market value is estimated at 10.9% and 11.3%, respectively.

- End of destocking and recovery in demand: In the first half of 2024, inventory destocking by major overseas clients largely concluded, with procurement activities gradually returning to normal. This recovery has led to a surge in demand for lithium battery packs. For example, in the first half of the year, EVE Energy's sales of lithium batteries reached approximately 175 million units, with nearly 100 million units shipped in Q2—slightly exceeding the Company's original target.
- Technology upgrades driving demand: The full-tab cylindrical cell has emerged as a new standard in power tool battery applications due to its high discharge rate, low internal resistance, and superior heat dissipation. Leading global power tool manufacturers have started transitioning their 18-series and 21-series cylindrical battery designs toward full-tab technology.

B. Supply-side analysis

- Key suppliers: In 2024, among the top 10 global suppliers of lithium batteries for power tools, South Korea's SDI ranked first. China's EVE Energy and Tenpower ranked second and third, respectively. Other companies in the top 10 include Murata, Changhong Sanjie, Highstar, Hengdian Group DMEGC, Ampace, Lishen, and Suppo.
- Capacity expansion and technological innovation: To meet growing market demand, battery manufacturers are ramping up investments in capacity expansion and R&D. Notably, companies such as EVE Energy, Lishen, and Ampace have launched new 18-series and 21-series full-tab cylindrical batteries to address the rising need for high-performance solutions in the power tool segment.
- Market shift and challenges: Due to increased tariffs imposed by the United States on certain power tools imported from China, some Chinese manufacturers have begun relocating production to countries such as Vietnam and Mexico. Furthermore, in 2023, China's lithium battery shipments for power tools totaled 8.5 GWh, representing a 17% year-over-year decline—highlighting the challenges faced by the industry.

In 2024, the lithium battery market for power tools is demonstrating positive growth momentum, driven by recovering demand and technological advancements.

However, manufacturers must also navigate challenges related to production relocation and global trade policies.

Looking ahead, companies will need to closely monitor market trends and continue enhancing their technological capabilities to adapt to evolving customer needs.

(3) Network communication products

A. Demand-side analysis

- Market recovery and growth momentum: According to forecasts by the Industrial Technology Research Institute (ITRI), Taiwan's communications industry output value is expected to reach NT\$1.28 trillion in 2024, representing a 2.4% decline compared to 2023. However, driven by increasing demand for cloud computing and infrastructure, the output value is projected to rebound to NT\$1.29 trillion in 2025, reflecting a modest year-on-year growth of 1.2%.
- Technology upgrades driving demand: Rising demand for upgrades in Wi-Fi 6/6E products and enterprise-grade network switches continues to support the growth in shipment volumes of network communication equipment.

B. Supply-side analysis

- Diversified supply chain: To mitigate geopolitical risks, manufacturing of network communication products is gradually shifting from China to countries such as Vietnam and Thailand.
- Stable lithium battery supply: With market demand rebounding, lithium battery suppliers have ramped up capacity investments to ensure stable supply, supporting the growing needs of the network communication product segment.

In 2024, driven by demand from cloud computing and infrastructure expansion, the market for network communication products is experiencing a steady recovery, which in turn is boosting demand for lithium battery packs.

The diversification of the supply chain has also contributed to improved supply stability, supporting a healthy industry outlook.

(4) Energy storage products

A. Demand-side analysis

- Global market size and growth momentum
- In 2024, global energy storage battery shipments are expected to reach 369.8 GWh, representing a year-on-year growth rate of 64.9%. Chinese manufacturers account for 345.8 GWh, or 93.5% of the global total.
- The global Energy Storage System (ESS) market is valued at USD 84.68 billion in 2024 and is projected to expand to USD 2,370.99 billion by 2033, with a compound annual growth rate of 12.12%.
- Diverse application scenarios
- Front-of-the-Meter (FTM) Storage: Used for peak shaving, dynamic grid support, frequency regulation, and renewable energy integration.
- Grid-Side Storage: Helps alleviate grid congestion and defer expansion of transmission and distribution infrastructure.
- Behind-the-Meter (BTM) Storage: Supports self-consumption, peak-valley arbitrage, capacity charge management, and reliability enhancement.
- Regional market dynamics
- China: Driven by supportive policies, installed capacity has grown rapidly. In 2023, newly installed capacity reached approximately 22.6 GW / 48.7 GWh—an increase of over 260% compared to end-2022.
- United States: The residential energy storage market is expanding rapidly, with companies such as Tesla and EG4 holding major market shares.
- Japan: The ESS market is growing at a compound annual growth rate of 37.2%, with the market size projected to increase from USD 317 million in 2024 to USD 1.54 billion by 2029.

B. Supply-side analysis

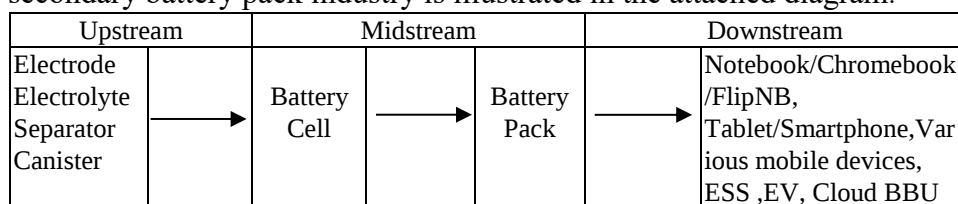
- Key suppliers and capacity expansion
- Chinese enterprises maintain a dominant position in the global energy storage battery market, accounting for 93.5% of total shipments in 2024.
- To meet growing market demand, battery manufacturers are accelerating capacity expansion and investing in R&D, introducing high-capacity cells to support the rising demand for high-performance ESS batteries.
- Technological advancements and product upgrades
- Lithium Iron Phosphate (LFP) batteries have become the mainstream choice in the ESS sector due to their high safety, long cycle life, and cost-effectiveness.
- High-capacity cells (e.g., 300Ah and above) are gaining penetration in the utility-scale ESS segment, with penetration expected to approach 50% by Q4 2024.

In 2024, the global energy storage market is seeing sustained growth driven by policy support, technological progress, and diversified application scenarios. On the supply side, manufacturers are actively expanding production capacity and upgrading technologies to meet evolving market needs. Looking ahead, with the increasing share of renewable energy and accelerating grid modernization efforts, the energy storage sector is expected to maintain strong growth momentum.

2. Relationship with Up-, Middle- and Downstream Companies

The main product for Celxpert and its subsidiaries is secondary battery packs, which are composed of one or more secondary battery cells connected in series or parallel, designed with protection circuits, safety wiring, and outer casings. In the industry, related battery cells manufacturers, such as electrodes, electrolytes, separators, and canisters, are upstream, while the Company and its subsidiaries are in the midstream, responsible for collaborative product design with downstream customers and assembling the secondary battery packs into finished products.

Downstream customers include manufacturers of portable electronic products such as notebooks, power tools, network devices, and smart wearables. The upstream, midstream, and downstream structure of the secondary battery pack industry is illustrated in the attached diagram.



(3) Various Development Trends of the Product

A. Strengthening the product safety

To ensure the safety of lithium battery products, manufacturers have been strengthening safety measures. For example, in the case of batteries, in addition to the existing safety valves, manufacturers have added current interrupt devices (CID) , positive temperature coefficient (PTC) fuses, and explosion-proof devices to enhance product safety. In terms of battery pack design, protection functions have been strengthened, and protective components have been designed to cover all relevant positions of the battery pack, achieving comprehensive protection goals.

B. Improving customization capability

To meet the market demand for product differentiation, the Company provides customized special designs for different customers. In addition to offering sufficient flexibility and standardized parts for battery packs, Celxpert also provides programmability for circuit functions and main components. These are all the future directions for research and development for the Company.

C. Making the battery pack has a thinner ID design for notebooks

The homogenization of notebook computer functions has made differentiation difficult, and how to attract consumers through exterior design has become a challenge that tests the industrial design capabilities of each brand. The design and manufacturing of battery packs also face considerable difficulty in achieving thinness and delicacy.

D. Fast charging, large discharging rate, and increasing standby time of the battery

To meet the demand for portability, power efficiency and battery life have become one of the primary considerations for consumers when purchasing notebooks and tablets. Therefore, high-capacity and low-internal-resistance battery designs have become increasingly important.

- E. Polymer lithium-ion battery modules are becoming increasingly common and have been applied in all 3C fields.

In response to the rapid growth of portable electronic products, the trend towards lighter and thinner products has become increasingly prevalent, and the use of polymer lithium battery packs has also increased rapidly.

- F. The development of renewable energy is driving the energy storage market. With the rapid development of renewable energy, energy storage systems with fast charging and discharging capabilities have become increasingly important for ensuring a stable and reliable power supply for renewable energy. High stability and long cycle life lithium-ion batteries have become a popular focus, as they are a key method for stabilizing renewable energy generation. It is expected that the development of the energy storage industry will drive demand for lithium-ion batteries.

(4) Product Competition

The Company is a professional battery module manufacturer, specializing in battery protection circuit design, precise programmable Gas-gauge design and production, and customized battery module manufacturing based on individual customer requirements.

Currently, the main suppliers in the market of notebook battery modules include DynaPack, Simplo, LG Chem, and some other Chinese suppliers.

3. Technology and R&D Status

(1) The technical level and R&D of the business

The market trends for electronic and information mobile products, power tools, energy storage equipment, electric bicycles, and other products have become increasingly diversified, lightweight and high-end designs. The design of battery products must comply with strict specifications and limitations on capacity, size, and appearance. The design of long-lasting battery packs has further reinforced the integration of battery technologies. In addition, as the concept of green energy gains increasing attention, various renewable energy products have emerged worldwide. However, all renewable energy sources are limited by unstable supply and require a combination of batteries to provide stable power. Long life, high reliability, and weather resistance are all key R&D objectives for such battery products.

The Company has achieved significant progress in the development of high-efficiency battery modules, including the verification of high-capacity battery cells, the design of power management and protection circuitry, and the integration of terminal product system design to enable optimal performance of the battery modules. Celxpert has also developed the necessary equipment for mass production to meet market demand for long-lasting and high-power battery packs, making our products more competitive.

(2) Education and Experiences of the R&D Personnel

Unit: person; %

Year	2023		2024		2025/3/31	
	Number of people	%	Number of people	%	Number of people	%
Education						
Masters	41	27.52%	37	27.21	35	26.92
Bachelor's Degree	75	50.33%	63	46.32	59	45.38
Senior High School	28	18.79%	30	22.06	30	23.08
Below Senior High	5	3.36%	6	4.41	6	4.62
Total	149	100%	136	100%	130	100%
Average Years of Service	4.38		5.91		6.07	

(3) R&D Expenditure for the Most Recent 5 Years

Unit: NT\$ thousand

Year	2020	2021	2022	2023	2024
R&D Expenditure	235,789	239,052	232,941	205,235	174,592
Operating Revenue	12,167,424	13,954,161	11,099,590	7,203,544	5,447,777
R&D Expenditure to Operating Revenue	1.94%	1.71%	2.09%	2.85%	3.20%

(4) Achievements of Technology or Product Development

Year	Achievements of Technology or Product Development	
2020	1.	4KWH lithium iron energy storage battery pack
	2.	36V E-Bike in-tube lithium battery module
	3.	25.6V lithium battery pack for boom lifts
	4.	Low-speed LED optical communication technology
	5.	Remote monitoring and data collection technology
	6.	C-2 ternary lithium battery SOC algorithm
2021	1.	Battery Cell Positive and Negative Terminal Automatic Optical Identification System
	2.	Spot Welding Servo Pressure Control System
	3.	Battery Pack BLE Bluetooth Communication Technology
	4.	K1 Lithium-Ion Battery SOC Algorithm for Normal and High Temperature Region
	5.	Lithium-Ion Battery Buck and Boost Charging Technology
	6.	Battery Pack Structural Shock and Vibration Simulation Technology
2022	1.	BBU ORing Short Circuit Protection Technology
	2.	BBU ORV3 System Technology
	3.	MOLDEX Mold Flow Analysis Technology
	4.	E-Bike Dual Battery System Technology
	5.	K1 Lithium-Ion Battery SOC Algorithm for Low Temperature Region
	6.	Battery Pack Remote Firmware Update Technology
	7.	Lithium-ion Battery 2-Pulse SOH Algorithm
2023	1.	Upgrade of Battery Pack Diagnostic Tools
	2.	Implementation of Time-Stamped Event Log Functionality
	3.	Development of EMS System for Energy Storage Containers
	4.	BV Safety Certification for Energy Storage Containers
	5.	RSOC Smooth Mechanism
	6.	ESS APP Monitor Software
	7.	ESS Web Based Monitor Software
	8.	BBU Battery with Charger and Discharger
2024	1.	Development of ESS GEN2 High Voltage Battery Pack for Energy Storage Containers
	2.	Development of ESS Liquid Cooling Technology
	3.	Development of 3KW Data Center BBU Battery Pack
	4.	Development of Lithium-Ion BBU Battery Pack for Telecom Base Station
	5.	Development of Lithium-Ion Battery Pack for Electric Speedboat
	6.	Development of Lithium-Ion Battery Pack for E-Moto Electric Motorcycle
	7.	Development of Lithium-Ion Battery System Thermal Simulation Technology
	8.	Development of Lithium-Ion Battery Pack Thermal Runaway Protection Technology

4. Long-term and Short-term Development

The Company has formulated various long and short-term plans for future business in response to sustainable management and considering industry development and overall economic trends. An overview of the plans is as follows:

(1) Short-term Business Development

A. Sales plan

- (a) Stabilize and maintain current customer relationships and sales ratios for notebook computers, broadband routers, and tablets.
- (b) Strengthen the manufacturing process capability, quality management, and yield rate to improve the competitiveness (time to volume) of the factories in mainland China.
- (c) Improve project management, and technical support teams to achieve the goal of time to market to increase profitability.
- (d) Actively seek cooperation with professional battery manufacturers to expand the power cell product line to meet customer needs.
- (e) Expand niche product development to meet the needs of the smart home, Internet of Things (IoT) market, small-scale agriculture electrification, and medical long-term care industries.

B. Design plan

- (a) Strengthen the R&D and design capabilities for the products.
- (b) Collaborate with customers to develop new products, establish rigorous reliability testing, and accelerate sample delivery time. (JDM: Join Design Manufacturing mode)
- (c) Keep abreast of new materials and technologies or products with potential niche markets, and maintain a R&D leading edge in this area.
- (d) Increase and train key R&D personnel with critical technical expertise. (firmware)
- (e) Production automation: strengthen production equipment and process improvement.

(2) Long-term Business Development

- A. Strategic alliances with international industry leaders or partner suppliers to strengthen cooperation and expand market share.
- B. A long-term focus will be placed on recruiting and training R&D personnel, establishing an efficient R&D team to continuously enhance R&D capabilities, and maintaining a leading position in the industry.
- C. Strengthen the ability for financial management and risk control.
- D. Market demand analysis and forecasting will be conducted to plan material requirements and progress, enabling smooth production and sales coordination and effective utilization of production capacity.

- E. Pursue diversified operation projects, with a focus on strengthening the development of power batteries and energy storage systems.

4.2. Overview of Marketing and Production/Distribution

1. Market Analysis

(1) Sales Region

Unit: NT\$ thousand; %

Region	Year	2023		2024	
		Revenue	Percentage	Revenue	Percentage
Domestic		485,689	6.74	315,390	5.79
Export		6,717,855	93.26	5,132,387	94.21
Total		7,203,544	100.00	5,447,777	100.00

(2) Market Share

Unit: thousand units

Year	Notebook battery packs shipments from Celxpert	Global notebook computer shipments (Note)	Celxpert market share
2024	6,912	Around 174,000	3.97%

Data Source: TrendForce, Nov, 2024.

(3) Market Supply and Demand in the Future

A. Notebook computers

In 2025, the global notebook computer market is expected to experience moderate growth, primarily driven by upgrades in the commercial sector, the introduction of AI-powered laptops, and sustained demand from the education segment. However, trade policies and supply chain restructuring may continue to impact market dynamics. For the lithium battery pack industry, this presents both opportunities and challenges, requiring close monitoring of market trends and agile strategic adjustments to meet evolving demand.

B. Power tool

In 2025, the global power tool market is projected to maintain steady growth, fueled by advances in lithium battery technologies. Rising consumer demand for cordless, lightweight, and high-performance tools is encouraging manufacturers to accelerate technological innovation and optimize their supply chains. Nonetheless, fluctuations in raw material costs and the tightening of environmental regulations remain key concerns requiring close attention.

- C. Network communication products
In 2025, the global market for network communication devices is expected to grow steadily, driven by ongoing digital transformation, the widespread adoption of 5G and Wi-Fi 6 technologies, and the advancement of AI and IoT applications. As a critical component, demand for lithium battery packs will increase in tandem. Manufacturers must stay attuned to market trends and continue enhancing product technology and quality to meet shifting customer needs.
 - D. Energy storage products
In 2025, the global energy storage market is expected to continue expanding, supported by favorable policies, technological progress, and increased integration of renewable energy sources. As the core component of energy storage systems, demand for lithium battery packs will rise accordingly. However, raw material supply and price volatility remain challenges for the market. Manufacturers must proactively address these issues to ensure supply chain stability and maintain cost control.
- (4) Niche Advantages
- A. Good customer relationships
Since its establishment in 1998, Celxpert has been committed to maintaining long-term partnerships with our ODM customers, assisting them in enhancing their competitiveness, and pursuing steady growth. In addition to our ongoing partnerships with our original customers, our goal is to continue to grow by adding 1-2 new customers per year.
 - B. Good supplier relationships
Celxpert maintains long-term relationships with the major suppliers to ensure a stable supply of the materials; We also expand new material suppliers for stable supplies.
 - C. Complete development and testing capabilities of battery packs
Celxpert has established a complete design capability from PCB assembly design, testing, and mold development, and is able to design products according to different specifications and requirements of customers. We also possess QA laboratory certification capabilities, which are synchronized with international industry standards.
 - D. Good production procedure quality
Standardization of processes, in-house development, and manufacturing of production and testing equipment and fixtures have effectively controlled production speed and quality, achieving the goal of automation and reducing human error. Process and quality have become more stable, facilitating the development of new customers.

- E. High production efficiency, rapid delivery with high flexibility
As consumer behavior and preferences change rapidly in the information product market, product innovation and diversification have become important marketing strategies. In order to meet these demands and satisfy consumers' pursuit of novelty, the Company can quickly adapt to changes in product demand and adjust our production processes to increase efficiency and flexibility in delivery. We also work closely with our customers to provide just-in-time delivery to meet their needs.
- (5) Favorable and Unfavorable Factors in the Long Term
 - A. Favorable factors
The Company has a professional R&D team, with over half of the members having more than 10 years of experience in the field. They possess excellent R&D and design capabilities for related components and have the ability to develop their own testing equipment.
Our Shop-floor system is constructed to enable the tracing of all conditions related to the production of a product in the shortest possible time, allowing for the most immediate follow-up processing. In addition, our dedicated sales and QA teams in mainland China are always available to provide support and meet customer requirements.
 - B. Unfavorable factors
 - (a) Most of the materials depend on import:
The main raw materials of the Company, battery cells, are currently mostly supplied by manufacturers from Korea and China. Only a few manufacturers in Taiwan produce battery cells, and their production capacity is not high. Therefore, our supply chain is susceptible to factors such as exchange rates, lead times, pricing, and the availability of raw materials. If we cannot effectively control the source of our raw materials, it may pose certain risks to our operations.
Countermeasures:
 - i. Our battery cell suppliers have expanded to six companies, and Celxpert has established cooperative relationships with major battery manufacturers, ensuring a stable supply of products.
 - ii. Celxpert has established strategic alliances with key customers and maintains good interactions with suppliers, ensuring stable and long-term partnerships that can guarantee a stable source of raw materials.
 - iii. Celxpert collects exchange rate-related data to facilitate the Company's forward foreign exchange transactions and hedging operations.

- iv. Celxpert provides suppliers with customer forecasts in advance, allowing suppliers sufficient time to prepare materials and reducing the risk of material shortages due to short lead times.
- (b) The increase in the basic wage in China has resulted in an increase in production costs, which has prevented the Company from achieving its maximum economic efficiency.

Countermeasures:

- i. The Company promotes process automation, improves efficiency, controls quality, and reduces costs.
 - ii. Celxpert values employee benefits and increases employee morale and reduces employee turnover with the motivation drive of profit-sharing. We also strengthen employee professional training to solve the problem of professional inadequacy. Furthermore, regular professional courses are provided to enhance employee productivity for professional talent development.
- (c) Price attacks by competitors:

The competition among peers is fierce, not only facing price pressure from existing competitors but also new entrants (e.g., China) , who are willing to compete on price to win orders. Over the past 3-5 years, the average selling price (ASP) of battery modules has dropped by about 50% (for NB, Tablet, etc.) , resulting in increased pressure on the price-to-volume ratio and revenue.

Countermeasures:

- i. The Company invests in the R&D team to strengthen new product development technology, and proactively provides customers with necessary information and assistance to solve any research and development issues.
- ii. Celxpert improves the stability of product quality after mass production to gain customer trust and maintain stable growth of orders.
- iii. Celxpert enhances business management performance, reduces costs, and improves production capacity.

2. Production Procedures of Main Products

(1) Major Products and Their Main Uses: The Company's main products are notebook battery packs, ultra-thin notebook battery packs, embedded battery packs for tablets, embedded battery packs for smartphones, power tool battery packs, power drives, and backup battery packs for high-powered electronic products. These products are mainly used as power sources for notebooks (including ultra-thin notebooks, tablets, and smartphones) and as backup power sources for digital and powered electronic products. Major Products and Their Production Processes Our battery pack production is primarily driven by a dedicated R&D team. Through a thorough understanding of customer needs and our insistence on high-quality materials, the battery packs are produced and shipped to system vendors or end customers.

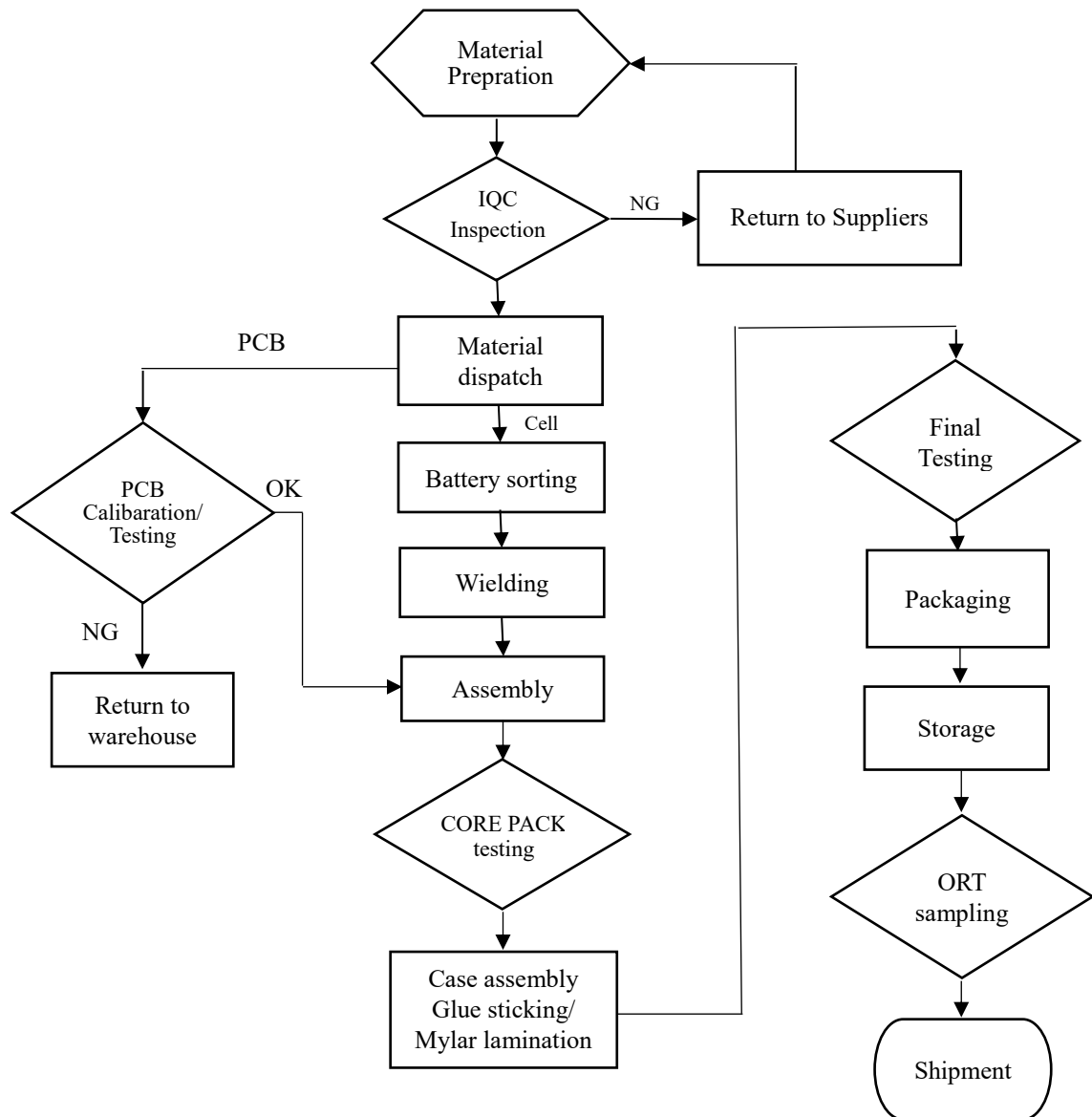
(2) Production Procedures of Main Products:

The process involves precise automated equipment such as battery sorting machines, automatic spot welding machines, (laser) welding machines, testing machines, and charging and discharging machines. Our standardized production processes, factory management, and excellent employees work together to create products that meet the demands of the new era of green energy. The following flowcharts briefly illustrate the product areas Celxpert is involved in and our production control principles.

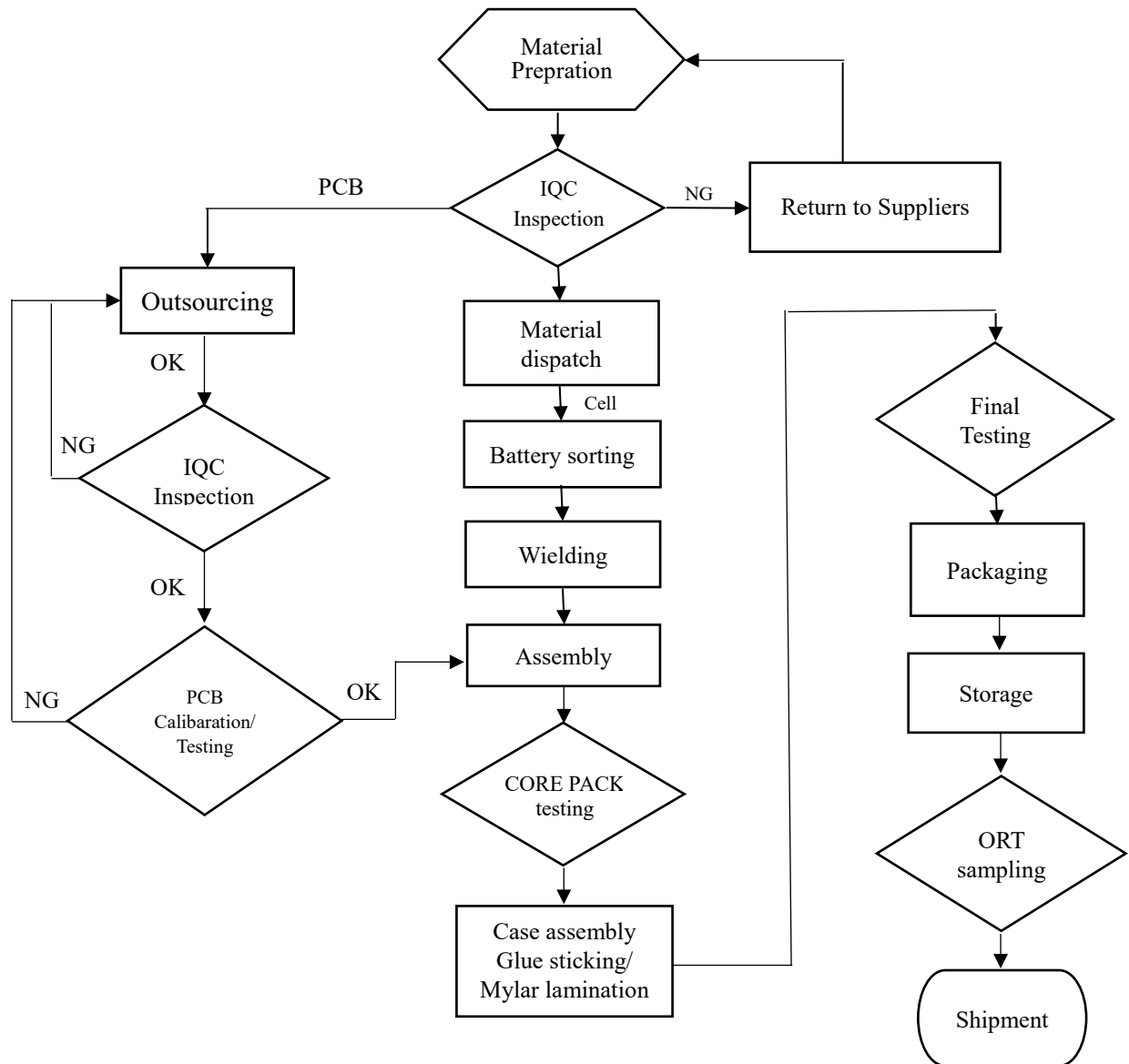
- A. Notebook battery packs (OEM)
- B. Power tool battery packs (OEM)
- C. Notebook battery packs (ODM) and battery backup modules
- D. Tablet battery packs including embedded battery packs
- E. High-wattage power battery packs

The single-cell sources used in the above battery packs include cylindrical cells, prismatic cells, and polymer cells, all of which require different manufacturing processes and technological capabilities in the factory.

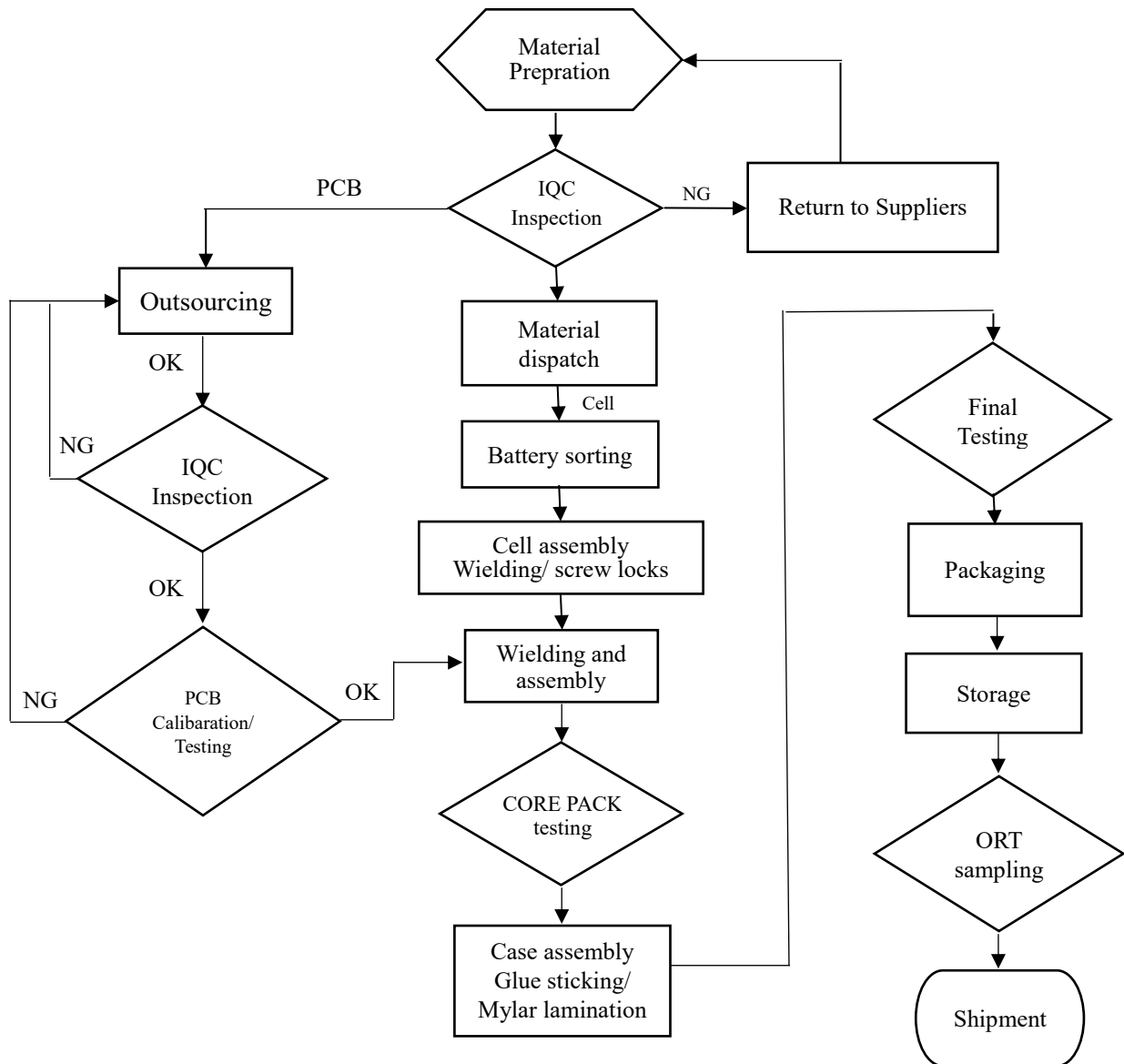
(A)(B)Laptop and Power Tool Battery Packs (OEM)
Production Flowchart



**(C)(D) Laptop/Tablet battery Packs Including Embedded Battery Packs (ODM)
Production Flowchart**



(E) High-Wattage Power Battery Packs Production Flowchart



3. Supply Status of Main Materials

Main materials	Market	Source of Supply	Supply Situation
Battery Cell	Consumer market	Company #10001, #10433	Relatively stable
	Automotive / industrial control market	Company #10747, #10645	Relatively stable
IC	Consumer market	Company #10287, #10757, #10067	Relatively stable
	Automotive / industrial control market	Company #10207, #10757, #10019	Relatively stable

In 2025, the supply of materials has remained relatively stable compared to the previous year. However, continued attention is needed on the potential impact of U.S. tariff policies under a potential Trump administration on the global economy. Changes in both supply and demand must be closely monitored.

4. Major Suppliers and Customers in the Most Recent Two Years: Major customers/ suppliers who have accounted for at least 10% of sales/ procurement, their transaction amount and ratios, and the cause of change in either one of the most recent two years.

(1) Major Suppliers in the Most Recent Two Years

Unit: NT\$ thousand

Item	2023				2024				2025 (As of March 31)			
	Company Name	Amount	%	Relationship with Issuer	Company Name	Amount	%	Relationship with Issuer	Company Name	Amount	%	Relationship with Issuer
1	Shanghai BYD	1,296,014	23.98%	None	Shanghai BYD	997,881	22.11%	None	Shanghai BYD	167,755	18.16%	None
2	Zhuhai CosMX	1,135,415	21.01%	None	Zhuhai CosMX	882,847	19.56%	None	Zhuhai CosMX	150,639	16.31%	None
3	ATL	493,590	9.13%	None	ATL	422,430	9.36%	None	ATL	101,946	11.04%	None
4	Others	2,478,635	45.88%	None	Others	2,210,414	48.97%	None	Others	503,268	54.49%	None
	Net Total Supplies	5,403,654	100.00%		Net Total Supplies	4,513,572	100.00%		Net Total Supplies	923,608	100.00%	

Cause of change: The Company's purchasing is mainly based on the actual needs of customer orders. Therefore, the proportion of purchases will vary depending on the different orders.

(2) Major Customers in the Most Recent Two Years

Unit: NT\$ thousand

Item	2023				2024				2025 (As of March 31)			
	Company Name	Amount	%	Relationship with Issuer	Company Name	Amount	%	Relationship with Issuer	Company Name	Amount	%	Relationship with Issuer
1	A	3,986,772	55.34%	None	A	2,287,582	41.99%	None	A	354,707	31.97%	None
2	B	844,656	11.73%	None	B	1,300,945	23.88%	None	B	307,485	27.71%	None
3	C	611,882	8.49%	None	C	507,985	9.32%	None	C	97,055	8.75%	None
4	Others	1,760,234	24.44%	None	Others	1,351,265	24.80%	None	Others	350,391	31.58%	None
	Net Sales	7,203,544	100.00%		Net Sales	5,447,777	100.00%		Net Sales	1,109,638	100.00%	

Cause of change:

- (1) Notebook Battery Modules: Revenue was affected by weak demand in the notebook market and customer realignment of supply chain share in China.
- (2) Power Tool and Garden Product Battery Packs: The prolonged Russia-Ukraine conflict continued to suppress customer demand, leading to downward revisions in inventory levels and resulting in weakened market demand.

4.3. Information of Employees in the Most Recent Two Years

Number of people		Year	2023	2024	2025 (As of March 31)
Number of Employees	Direct		344	139	127
	Indirect		543	495	488
	Total		887	634	615
Average Age			34.9	39.4	39.4
Average Years of Service			5.1	6.9	6.9
Education	Ph.D.		1	0	0
	Masters		77	66	66
	Bachelor's Degree		359	280	273
	Senior High School		389	121	125
	Below Senior High School		61	167	151

4.4. Information on Environmental Protection Expenditure

1. According to the relevant laws and regulations, those who are required to apply for Pollution Facility Installation Permit, Pollution Discharge Permit, pay pollution prevention and control fees, or establish dedicated environmental personnel shall provide an explanation regarding their application, payment, or establishment status: The Company has had no pollution incidents or relevant losses for the most recent two years and up to the date of printing of this annual report.
2. The Company's investment in major equipment for the prevention and control of environmental pollution, its use, and possible benefits: None.
3. The Company has improved its environmental pollution process, and if it has pollution disputes in the most recent two years and up to the date of printing of this annual report, it shall explain its handling process: None.
4. Any losses or penalties suffered by the Company due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in the environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions) in the most recent two years and up to the date of printing of this annual report. Disclosure on current and future estimates of possible damages and countermeasures. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be stated: None.
5. The impact of the current pollution situation and its improvement on the Company's earnings, competitive position or capital expenditure, and its expected major environmental protection capital expenditure in the next two years: None.

4.5. Labor Relations

1. System and implementation status of various employee welfare, education, training and retirement, as well as labor-management agreements, and measures to protect the rights of the employees

- (1) Employee welfare measures

The Company has established an Employee Welfare Committee to allocate welfare funds for employee welfare purposes according to the laws and regulations. The funds used in employee welfare activities include recreational leisure, marriage, funeral and other joyous occasions, festival gifts, annual traveling subsidies, employee insurance, regular health examination, various courses and training, lucky draws at the year-end party, birthday celebration gatherings and other activities.

To retain talent, strengthen employee cohesion, enhance employee benefits, and encourage savings, the Company established an Employee Stock Ownership Trust Committee in September 2021. Full-time employees with at least one year of service are eligible to contribute a fixed amount monthly to purchase the Company's shares under a regular investment plan. The Company matches 100% of the employee's monthly contribution as a stock ownership incentive.

- (2) Education, training implementation status

The Company has established an employee education and training management system, which includes a systematic training program aimed at enhancing employees' professional skills and management abilities. The implementation status is as follows:

Item	2023	2024
Courses	Guide training for new recruits, fire drills, supervisor management training, professional functional training	
No. of classes	311	309
No. of Participants	2,792	3,311
Total hours	14,761	8,140

- (3) Retirement system implementation status

The Company complies with the Labor Standards Act to set aside a retirement reserve fund at the rate of 2% of the total monthly salary, which is deposited in a special account at the Taiwan Bank (formerly the Central Trust of China). Starting from July 1, 2005, by the implementation of the Labor Retirement Pension Act (hereinafter referred to as the new system), if an employee chooses to apply the new system, the Company will set aside a retirement pension at the rate of 6% of the total monthly salary, which will be deposited into the employee's personal account of the Labor Retirement Pension Fund. In 2024, the Company allocated NT\$28,833 thousand for pension contributions under the new pension scheme and NT\$385 thousand under the old scheme.

In accordance with the Labor Standards Act, employees may apply for voluntary retirement under the following conditions:

- A. Having at least 15 years of service and reaching the age of 55.
- B. Having at least 25 years of service.
- C. Having worked for at least 10 years and reaching the age of 60.

Employees who meet any of the above criteria must submit a retirement application form. Upon approval, retirement procedures will be processed accordingly.

- (4) Labor-management agreements, and measures to protect the rights of the employees and the implementation status

The Company has always attached great importance to the harmonious relationship between labor and management, and regularly holds labor-management meetings to establish a two-way communication channel. We hope that through our efforts, both labor and management can achieve a common understanding and make the interests of employees and the Company mutually beneficial.

- 2. Any losses suffered by the Company in the most recent two years and up to the printing of this annual report due to labor disputes (including labor inspection results found in violation of the Labor Standards Act, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions) . Disclosure on current and future estimates of possible losses and countermeasures. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be stated:

- (1) Losses suffered by the Company in the most recent two years and up to the printing of this annual report due to labor disputes: None
- (2) Current and future estimates of possible losses and countermeasures:

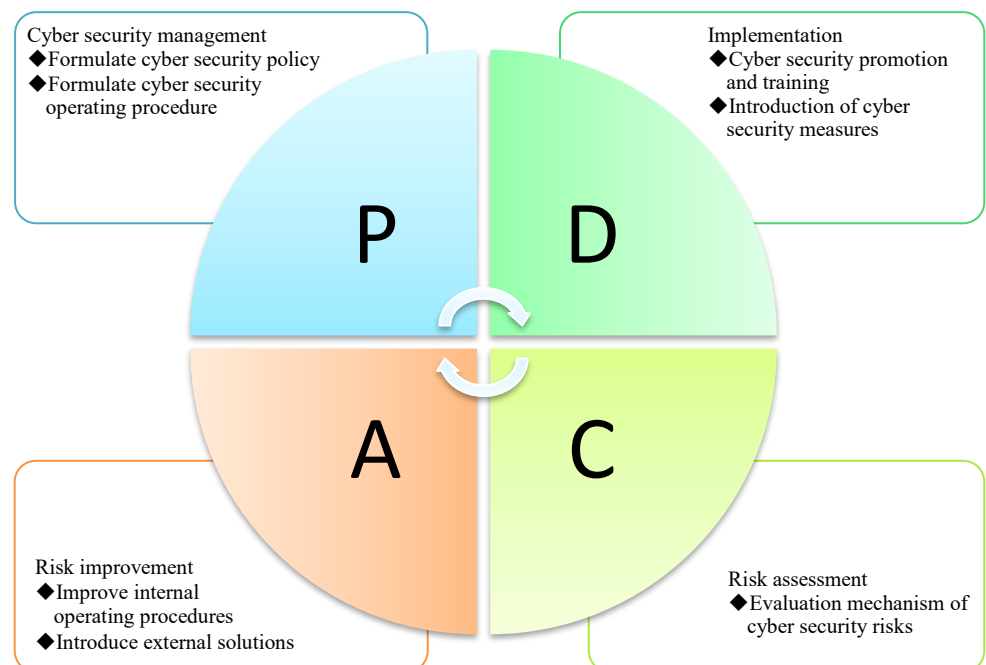
The Company recognizes that labor is a vital part of its capital and continues to strengthen communication between labor and management. In the most recent year up until the date of printing this annual report, there have been no significant labor disputes resulting in losses. The Company will continue to make efforts to prevent disputes, implement various employee welfare measures, and it is estimated that there will be no situations causing losses in the future.

4.6. Cyber Security Management

1. Describe the information security risk management structure, information security policy, specific management plan and investment in information security management resources, etc.

(1) Cyber security management framework

The Information Technology (IT) Department is responsible for cyber security within the Company, which includes one information officer and several professional IT staff who are in charge of developing, promoting, and implementing cyber security policies. The audit office is the unit responsible for auditing and evaluating cyber security risks. This unit has one audit officer who oversees and audits the internal cyber security implementation status. By the "Regulations Governing Establishment of Internal Control Systems by Public Companies," we include "controls for cyber security inspections" in our annual audit plan and carry out audit operations according to the designated schedule. If any deficiencies are found, we immediately require the audited unit to propose relevant improvement plans and specific measures. We also regularly monitor the effectiveness of improvements to reduce internal cyber security risks. The Company's cyber security operation model adopts a PDCA (Plan-Do-Check-Act) cycle management approach to ensure that goals are achieved and continuously improved.



(2) Cyber security policy

To ensure the effective implementation of our information management systems and maintain the confidentiality, integrity, and availability of critical information systems, it is vital to ensure the secure operation of our information systems and achieve sustainable business operation. Accordingly, the Company's Information Security Policy encompasses the following three dimensions:

- A. System regulation: Formulate the "Regulations for Information Operation" to regulate the information security behavior of the Company's personnel. The relevant regulations are reviewed annually to ensure compliance with laws and regulations and adapt to changes in the operating environment as needed.
- B. Security system construction: To prevent various external cyber security threats, in addition to adopting a multi-layered network architecture design, various information security protection systems have been established to enhance the overall security of the information environment.
- C. Personnel security awareness training: To reduce the impact of internal human factors on cyber security, the IT Department regularly conducts cyber security education and awareness training for employees to enhance their understanding and awareness of cyber security.

(3) Specific management measures: The Company's cyber security management measures are as follows:

- A. Terminal security management: The antivirus software for all internal servers and endpoints is deployed uniformly from a centralized console. The virus definitions and malicious behavior characteristics are updated in real-time, which enables the software to intercept viruses, Trojan horses, worms, ransomware, and malicious programs carried by email attachments or folders promptly. This helps to effectively reduce the risk of damage caused by hacking attacks.
- B. Network access security management: All internal systems of the Company are located within a virtual network, which is isolated from the external network to prevent direct access. Additionally, multiple network security defense systems have been implemented. A firewall and an intrusion prevention system located at the network front end can defend against external network attacks, and immediately block the latest malicious software and harmful website links to mitigate potential threats.

- C. Secure management of system access accounts: All employees of the Company are required to use their individual accounts to access computers for system operations or to use network services. Access passwords are set for all information systems and users are required to change their passwords regularly. User account privileges are set according to business scope and responsibilities, and data access must be approved through an authorization process by the relevant supervisors before being granted or changed. When an employee leaves their position, their account and privileges are immediately revoked to prevent unauthorized use.
 - D. Physical equipment and environmental security management: Computer servers and related storage and network equipment are located in a dedicated server room, which is equipped with an environmental monitoring system and a power supply system with voltage stabilization and uninterrupted power supply to prevent damage caused by unstable voltage or sudden power failure. The server room is managed by the IT Department and unauthorized access is strictly prohibited.
- (4) Cyber security prevention measure
- System and document local backups are performed daily, weekly, and monthly, and backup media are regularly sent to off-site locations for safekeeping. Annual system data recovery tests are conducted to ensure normal operation of the information system and data preservation, reducing the risk of data loss caused by unexpected natural disasters or human errors. In the event of a security incident that affects the normal operation of the information system or the efficiency of operations, the IT Department will coordinate with relevant units to form an information security incident response team to handle the incident. Considering that cyber security insurance is still a relatively new type of insurance and the claims process and conditions may not apply to all cyber security incidents, the Company has not yet purchased cyber security insurance. Instead, an internal warning system has been established to immediately generate alerts and notify system administrators when specific cyber security incidents occur, thereby taking effective protective measures to minimize the risk of cyber security incidents caused by human errors.

- (5) Resources invested in information security management:
- A. On July 1, 2023, the Company established a dedicated information security unit, the “Information Security Department,” staffed with a Chief Information Security Officer (CISO) and personnel responsible for the design of the information security architecture, security operations and monitoring, incident response and investigation, as well as the review and revision of security policies.
 - B. Internal information security audits are conducted quarterly, and resources are allocated to address high-risk issues until they are reduced to an acceptable risk level.
 - C. A monthly Information Security Report is prepared to summarize the implementation status of various control measures, which is presented at the senior management monthly operations meeting and reported annually to the Board of Directors. The 2024 annual information security report was presented to the Board on November 8, 2024.
 - D. Introduce vulnerability scanning tools and conduct comprehensive system vulnerability scans on key hosts every six months to confirm system updates and settings are compliant. The vulnerability scans was performed twice in 2024.
 - E. Participate in professional information security groups at home and abroad, continuously collect and confirm external threat information, and cooperate with information departments. Continuously adjust protection settings to strengthen threat protection. In July 2023, the Company joined the government-affiliated information security organizations TWCERT and TW-ISAC, and participated in the 2024 annual cybersecurity incident response convention.
 - F. Invest corresponding resources to complete the operation continuity plan and drill of key systems to avoid external attacks cause operational disruption. Including file encryption, authority control, USB lock, firewall, uninterruptible power system, remote backup, anti-virus and anti-hacking system, etc.
 - G. From time to time, publicize employees' information security awareness and cognition for colleagues throughout the Company. In Q3 2024, the Company conducted a social engineering drill. The dedicated information security personnel attended nine cybersecurity-related training sessions or seminars. In addition, two company-wide information security awareness training sessions were conducted during the year. Publish information security propaganda on the Company's internal homepage website from time to time, with a total 58 announcements released in 2024.

2. List the losses and probable losses incurred due to major information security incidents in the last two years and up to the date of publication of the annual report. If the impact and response measures cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be explained.

In the last two years and as of the publication date of the annual report, the Group has not suffered losses due to information security issues. It continues to implement information security management policy objectives, and regularly implements recovery plan drills to protect the Company's important systems and data security.

4.7. Important Contracts:

Agreement	Counterparty	Period	Major Contents	Restrictions
Mid-to-long term loan	Bank SinoPac	2023/12 ~ 2025/12	Operation purpose	No guarantee
Mid-to-long term loan	Mega Bank	2024/09 ~ 2026/08	Operation purpose	No guarantee
Mid-to-long term loan	China Trust	2024/06 ~ 2026/06	Operation purpose	No guarantee
Mid-to-long term loan	First Commercial Bank	2024/09 ~ 2026/09	Operation purpose	No guarantee

V. Review, Analysis, and Risk Management of Financial Condition and Performance

5.1. Financial Status: The main causes and impacts of major changes in assets, liabilities, and equity in the most recent two years. If the impact is significant, disclose the future countermeasures.

Item \ Year	2024	2023	Difference	
			Amount	%
Current Assets	4,922,239	4,556,706	365,533	8.02%
Property, Plant and Equipment	486,267	566,747	(80,480)	-14.20%
Surface Right Assets	128,804	31,756	97,048	305.61%
Intangible Assets	4,584	6,704	(2,120)	-31.62%
Other Assets	95,458	95,329	129	0.14%
Total Assets	5,637,352	5,257,242	380,110	7.23%
Current Liabilities	2,463,308	1,949,633	513,675	26.35%
Non-current Liabilities	532,128	805,381	(273,253)	-33.93%
Total Liabilities	2,995,436	2,755,014	240,422	8.73%
Share Capital	935,536	883,059	52,477	5.94%
Capital Surplus	963,436	860,717	102,719	11.93%
Retained Earnings	610,125	709,112	(98,987)	-13.96%
Other Equity	50,021	32,066	17,955	55.99%
Equity Attributable to Owners of the Parent Company	2,559,118	2,484,954	74,164	2.98%
Non-controlling Interests	82,798	17274	65,524	379.32%
Total Equity	2,641,916	2,502,228	139,688	5.58%
1. Cause of changes in the difference: (for changes are greater than 20% and the difference amount is over NT\$10 million)				
(1) Right-of-use Assets: The increase was primarily due to the recognition of land use rights newly acquired by the 2nd Tier Subsidiary, Celxpert (Nantong) Energy Corporation Ltd., in October 2024.				
(2) Increase in Current Liabilities: This was mainly attributable to an increase in short-term borrowings, contract liabilities, and long-term borrowings due within one year.				
(3) Decrease in Non-current Liabilities: This was due to the conversion of corporate bonds into common shares and the reclassification of medium- and long-term borrowings maturing within one year to current liabilities.				
(4) Increase in Other Equity: This was primarily driven by an increase in exchange differences arising from the translation of financial statements of foreign operations.				
(5) Increase in Non-controlling Interests: This resulted from the capital increase of the subsidiary Keelgoal Energy Co., Ltd. in 2024, in which the Company did not subscribe in proportion to its original shareholding, leading to a decrease in its ownership percentage.				
2. Disclose future countermeasures for major impacts: None. 7.2.				

5.2. Financial Performance

- The main causes and impacts of major changes in operating revenue, operating income, and net income before tax in the most recent two years, and sales forecast and its reason.

Unit: NT\$ thousand

Item \ Year	2024	2023	Difference	
			Amount	%
Gross Operating Revenue	5,447,777	7,203,544	(1,755,767)	-24.37%
Cost of Sales	4,972,932	6,737,195	(1,764,263)	-26.19%
Gross Profit	474,845	466,349	8,496	1.82%
Operating expenses	582,162	664,549	(82,387)	-12.40%
Operating Income (Loss)	(107,317)	(198,200)	90,883	-45.85%
Non-operating Income & Expenses	25,899	(103,249)	129,148	-125.08%
Net profit before tax	(81,418)	(301,449)	220,031	-72.99%
Income tax expense	7,550	(31,637)	39,187	-123.86%
Net Profit for the Period	(88,968)	(269,812)	180,844	-67.03%

Cause of changes in the difference: (for changes are greater than 20% and the difference amount is over NT\$10 million)

- Decline in revenue and cost of goods sold: The decline was primarily driven by global economic uncertainties, including the prolonged Russia-Ukraine conflict, persistent inflationary pressures, a high-interest-rate environment, and weak end-market demand. As a result, customers continued to adjust their inventory levels, which adversely impacted overall shipment momentum and led to a reduction in both revenue and cost of goods sold.
- Decrease in operating profit: Primarily driven by global economic uncertainties, such as the ongoing Russia-Ukraine war, inflationary pressures, high interest rates, and sluggish end-market demand. This prompted customers to continue inventory adjustments, and, in turn, resulted in insufficient revenue to cover fixed costs, leading to an operating loss.
- Increase in non-operating income and expense:
 - Increase in interest income: Mainly due to an increase in cash and cash equivalents in 2024, which were placed in the term deposits, resulting in higher interest income from the bank.
 - Increase in foreign exchange gains: The company primarily conducts transactions denominated in U.S. dollars. In 2024, the depreciation of the New Taiwan Dollar led to increased foreign exchange gains. These gains were realized through effective natural hedging and prudent foreign exchange management.
 - Decrease in miscellaneous expenditures: The decrease was mainly attributable to the compensation for losses in 2023 was comparatively higher than in 2024.
- Loss before tax: The loss before tax was primarily due to global economic uncertainties, including the prolonged Russia-Ukraine conflict, persistent inflationary pressure, high interest rates, and weak end-market demand. These factors led to continued inventory adjustments by customers, negatively impacting overall shipment momentum. Although the company actively implemented cost control measures, the 24.37% year-on-year decline in revenue was insufficient to absorb fixed costs, resulting in a pre-tax loss. Nevertheless, the company continued to enhance cost control efforts and reduce expenditures, significantly narrowing the loss compared to the same period last year.
- Income tax expense: This was mainly due to adjustments for prior-year underestimation of income tax expenses in 2024.
- Net loss for the period: The loss before tax was primarily due to global economic uncertainties, including the prolonged Russia-Ukraine conflict, persistent inflationary pressure, high interest rates, and weak end-market demand. These factors led to continued inventory adjustments by customers, negatively impacting overall shipment momentum. With a 24.37% decline in revenue compared to the same period last year, the company experienced operating, pre-tax, and post-tax losses, despite actively implementing cost control measures. However, through continuous improvement in cost management and expenditure reduction, the extent of the loss has been significantly reduced year-over-year.

2. Disclose the possible impact on the Company's finance and business and future countermeasures: As the Company has not prepared or disclosed any financial forecasts, the sales forecast and its reason do not apply to the Company. Furthermore, the company's overall operations have not experienced any significant anomalies; therefore, a response plan is deemed unnecessary.
- 5.3. Cash Flow: Analysis of cash flow changes in the most recent year, improvement plans for insufficient liquidity, and analysis of cash liquidity for the coming year.
1. Analysis of cash flow changes in the most recent two years

Unit: NT\$ thousand

Item	2024	2023	Difference	
			Amount	%
Net cash flow from operating activities	281,688	1,321,786	(1,040,098)	-78.69%
Net cash flow from investing activities	(467,517)	(529,651)	62,134	-11.73%
Net cash flow from financing activities	128,048	(324,860)	452,908	-139.42%
1. A decreased in net cash inflows from operating activities, primarily due to reduced revenue, which led to a decrease in accounts receivable, as well as an increase in inventory. 2. The decrease in net cash outflows from investing activities, primarily due to a reduction in time deposits compared to the previous year. 3. An increase in the net cash outflow from financing activities, primarily driven by higher short-term borrowings and increased changes in non-controlling interests.				

2. Leveraging measures of cash deficit: No shortage of cash liquidity.
 3. Analysis of cash liquidity for the coming year: Not applicable.
- 5.4. The Impact of Significant Capital Expenditures in the Past Year on Financial Operations: In response to operational needs, the Company's 2nd tier subsidiary, Celxpert (Nantong) Energy Corporation Ltd, approved a capital expenditure budget of RMB 140 million on August 9, 2024, as resolved by its board of directors. The budget is designated for land acquisition and construction of new facilities. This capital investment supports future production needs for new products such as AI PCs, BBUs, and networking equipment, and will strengthen the Company's operational capacity and growth prospects.

5.5. Investment policy in the most recent year, main causes for its profit or loss, improvement plan, and investment plan for the next year:

1. Investment policy of the Company

In order to respond to market competition and strengthen our core capabilities, the Company has engaged in investment projects within our industry. These investment initiatives aim to expand our marketing network and enhance strategic alliances, with the goal of achieving the overall operational performance target for the Company.

2. 2024 Investment profit or loss and its improvement plan

Unit: NT\$ thousands / US\$ thousands

Investee Companies	Shareholding by the End of Period	2024 Profit or Loss of the Investee	Main Cause for Profit or Loss	Improvement Plan	Investment Plan for the Next Year
Celxpert Holdings Limited (BVI)	100%	(59,122)	The Company recognized the 2024 investment losses of Creative Power Enterprises Inc. and Celxpert Energy (H.K.) Limited for \$39,369 thousand, and NT\$ 20,327 thousand, respectively, by the equity method.	—	Depends on the market situation.
Celxpert Energy (H.K.) Limited	100%	(20,327) (US\$(633))	Mainly due to recognizing the 2024 investment loss of Celxpert (Kunshan) Energy Co.,Ltd. for \$20,359 thousand by the equity method.	—	Depends on the market situation.
Advance Smart Industrial Limited (BVI)	100%	19 (US\$0.6)	It is an overseas holding company.	—	Depends on the market situation.
Celxpert Energy International Limited (SAMOA)	100%	—	It is just completed the establishment procedure, and the capital is not yet inputted in.	—	Depends on the market situation.
Creative Power Enterprises Inc (SAMOA)	100%	(39,369) (US\$(1,226))	Mainly due to recognizing the 2024 investment loss of Celxpert (Nantong) Energy Corporation Ltd. for \$39,369 thousand by the equity method.	—	Depends on the market situation.
Celxpert (Kunshan) Energy Co.,Ltd.	100%	(20,359) (US\$(634))	It is positioned as the production center within the group. The Company shall take orders and prepare materials before outsourcing to Celxpert (Kunshan) Energy Co.,Ltd. to make processing income. Loss Attributed to Insufficient Order Volume	To address this, the Company is actively expanding its customer base to secure more orders, while accelerating the implementation of automated production processes to enhance efficiency and reduce costs.	Depends on the market situation.
Celxpert (Nantong) Energy Corporation Ltd.	100%	(39,369) (US\$(1,226))	The factory in 2024 was still under construction. It has tried some small batches of production in the leased factory, and the production volume has not yet reached an economic scale.	During the initial period, the production line has not yet been mass-produced.	Depends on the market situation.
Celxpert (Changchun) Energy Corporation Ltd.	50.5%	—	It is just completed the establishment procedure, and the capital is not yet inputted in.	—	Depends on the market situation.
P.T. Celxpert Energy Indonesia	100%	(2,891)	It has not yet reached an economic scale.	Develop customer sources to obtain orders, and increase revenue and profit.	Depends on the market situation.
Keelgoal Energy Co., Ltd.	63.81%	31,114	It is positioned as the R&D team in the group. The orders received are produced by the Company.	—	Depends on the market situation.

5.6. Analysis of risk management in the most recent year and as of the date of printing of this annual report

1. Effects of Changes in Interest Rates, Foreign Exchange Rates, and Inflation on Corporate Finance, and Future Response Measures

(1) Impact to the corporate

Unit: NT thousand

Item	2023	2023
Net interest income (expense)	(48,296)	(34,200)
Net foreign exchange income (expense)	(2,960)	63,348
Net interest income/expense as a percentage of net income	-0.67%	-0.63%
Net interest income/expense as a percentage of Income Before Tax	16.02%	42.01%
Net foreign exchange P/L as a percentage of net income	-0.04%	1.16%
Net foreign exchange P/L as a percentage of Income Before Tax	0.98%	-77.81%

(2) Effects of changes in interest rate on corporate finance, and future response measures

The main factors contributing to the interest rate risk for the Company and its subsidiaries in 2023 and 2024 are the variable interest rate from borrowings, as well as the variable interest rate from current and term deposits. In 2023 and 2024, the interest expenses amounted to NT\$69,287 thousand and NT\$67,756 thousand, respectively, while interest income was NT\$20,991 thousand and NT\$33,556 thousand, respectively. The Company and its subsidiaries conduct regular evaluations of the currency market interest rates and monitor financial market information. We implement appropriate measures to mitigate the impact on the Company and its subsidiaries caused by interest rate fluctuations. Assuming all other variables remain constant, a one percentage point increase or decrease in interest rates would result in a decrease or increase of NT\$1.004 million in loss before tax.

- (3) Effects of changes in foreign exchange rates on corporate finance, and future response measures

The Company and its subsidiaries primarily engage in export sales, with a significant portion of our purchases and sales denominated in U.S. dollars. As a result, most of the foreign currency positions can be offset through the mutual settlement of trade receipts and payments, achieving a natural hedging effect. For the remaining net positions, we adopt a conservative foreign exchange strategy. Based on the Company's funding requirements and the prevailing foreign exchange market conditions, we execute foreign currency conversions to New Taiwan dollars to minimize our exposure to foreign currency risks. This approach aims to reduce the net foreign currency positions of our company and its subsidiaries and minimize exchange rate risks. If the U.S. dollar appreciates or depreciates by 5% against the New Taiwan dollar, the pre-tax net loss would increase or decrease by NT\$7,488 thousand.

- (4) Effects of changes in inflation on corporate finance, and future response measures:

Despite ongoing inflationary pressure in 2024, the Company's overall financial performance showed signs of improvement, indicating that existing cost control measures and pricing strategies have yielded preliminary results. However, continued increases in raw material, transportation, or labor costs could place pressure on gross margins. The Company will maintain strict cost discipline and adjust product pricing and inventory strategies in response to inflation trends, in order to preserve operational flexibility and ensure stable profitability.

2. Policies, main causes of gain or loss, and future response measures with respect to high-risk, high-leveraged investments, lending or endorsement guarantees, and derivatives transactions

- (1) The Company did not engage in high-risk, high-leveraged investment, and any lending or endorsement guarantees in the most recent year and as of the printing date of this annual report.
- (2) All loans extended and endorsement guarantees provided by the Company were made to and on behalf of its invested subsidiaries. These transactions were conducted in accordance with the Company's "Procedures for Lending of Funds to Others" and "Procedures for Making of Endorsements/Guarantees," following prudent internal assessments and in compliance with public disclosure and reporting requirements.

- (3) If there is a need to conduct transactions involving other derivative instruments in the future due to business development, they will be carried out in accordance with the " Procedures for Acquisition and Disposal of Assets" established by the Company and its subsidiaries. Additionally, all relevant transaction information will be announced in a timely and accurate manner in compliance with laws and regulations.
3. Future Research & Development Projects and Corresponding Budget
The future allocation of R&D expenses by the Company will be prudently determined based on the Company's operating condition. The allocation of R&D expenses will be reviewed and adjusted annually based on the Company's operational status.
4. Effects of and Response to Changes in Domestic and Foreign Policies and Regulations Relating to Corporate Finance:
In the recent fiscal year, there have been no significant impacts on the Company's financial operations resulting from important domestic or international policy and legal changes. However, we remain vigilant in monitoring any changes in the business environment. Whenever necessary, we will seek advice from professional entities such as accountants and lawyers to adjust our operational strategies accordingly.
5. Effects of and Response to Changes in Technology (Including Cyber Security) and the Industry Relating to Corporate Finance:
The Company remains vigilant in monitoring relevant technological changes, (including cyber security risks) , to assess their impact on our operations. We continue to allocate resources to R&D efforts, particularly in the area of battery safety and other technological advancements. As of now, there have been no significant technological changes, including cyber security risks, that have had a major impact on our financial operations.
6. The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures:
The Company focuses on its core business operations, and there is no such thing as a change in corporate image that has resulted in corporate risk management.
7. Expected Benefits from, Risks Relating to, and Response to Merger and Acquisition Plans: None.
8. Expected Benefits from, Risks Relating to, and Response to Factory Expansion Plans: The Board of Directors of the Company resolved at the meeting on March 12, 2021 to purchase a property and as of the printing date of this annual report, there is no other determined target.

9. Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration:

(1) Evaluation and response measures of excessive concentration of purchasing sources

The Company's main procurement items consist of components required for battery modules, such as cells and ICs. Therefore, our suppliers primarily focus on providing these aforementioned components. As our customers mainly include manufacturers of notebook computers, power tools, and networking products, their requirements for product quality, functionality, cost, and delivery time are extremely strict. Therefore, we prioritize the procurement of components from suppliers who have undergone evaluation and are deemed qualified. For our major materials procurement, the Company adheres to the principle of maintaining relationships with at least two or more suppliers. We also review the product quality and financial status of our suppliers on an ad-hoc basis to ensure a consistent supply of high-quality materials and prevent any potential shortages.

(2) Evaluation and response measures of excessive customer concentration

The Company's main source of revenue comes from the sales of notebook computer battery modules and power tool battery modules. Our primary customers are well-known domestic and international manufacturers of notebook computers and power tools. We have always placed great emphasis on product quality and have established a strong reputation among our customers. As a result, we have maintained a certain market share. Currently, our main customers are still prominent manufacturers of notebook computers and power tools, both domestically and internationally. However, in the future, we will actively develop energy storage applications and expand our customer base to reduce dependency on concentrated sales.

10. Effects, and Response Measures of Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10%: There was no large share transfer in the most recent year and as of the printing date of this annual report.

11. Effects, and Response Measures of Risks Relating to and Response to the Changes in Management Rights:

The directors, supervisors, or shareholders with shareholdings of over 10% of the Company and its subsidiaries have actively participated in the management of the Company in the most recent year. Moving forward, we will continue to adhere to a prudent management philosophy and strive to gain the support and recognition of all shareholders for our management team. Therefore, we do not foresee any significant risks of changes in management rights in the Company.

12. **Litigation or Non-litigation Matters.** If there has been any material impact upon shareholders' equity or prices for the Company's securities as a result of any litigation, non-litigious proceeding, or administrative dispute involving a company director, supervisor, general manager, de facto responsible person, a major shareholder with a stake of more than 10 percent, or its subsidiaries and the matter was finalized or remained pending. Disclose the facts in dispute, the amount in dispute, commencement date, main parties involved, and case status as of the current fiscal year up to the prospectus publication date: The Company was subject to an investigation by the Northern Region Mobile Task Force of the Ministry of Justice Investigation Bureau regarding an alleged violation of the Securities and Exchange Act on March 25, 2021. The Company has actively cooperated with the investigative authorities, providing relevant evidence to clarify the situation. On June 29, 2022, the Taoyuan District Prosecutors Office resolved a non-prosecution disposition conclusion, indicating that there was no evidence of wrongdoing by our Chairman Shih-Ming Huang, in relation to the violation of the Securities and Exchange Act. Pursuant to Article 256, Paragraph 3 of the Code of Criminal Procedure, the case has been submitted for reconsideration. The case previously under investigation was remanded by order of the Chief Prosecutor of the Taiwan High Prosecutors Office for further inquiry.

The investigation has since concluded, and on January 16, 2025, a non-prosecution ruling was issued, reaffirming that the Company's Chairman, Shih-Ming Huang, did not violate the Securities and Exchange Act. While the case has been forwarded for reconsideration in accordance with Article 256, Paragraph 3 of the Code of Criminal Procedure, as of the date of this report, neither the Company nor the Chairman has been summoned again.

Furthermore, the Taoyuan District Prosecutor's Office has filed charges against Chairman Shih-Ming Huang on the grounds of violating the Business Entity Accounting Act. The Chairman has appealed in accordance with the law. The financial statements of the Company have been prepared in accordance with the Financial Reporting Guidelines for Securities Issuers, internationally recognized financial reporting standards endorsed by the Financial Supervisory Commission, and International Financial Reporting Standards, providing a fair presentation and have been subject to audit and attest by the auditing firm KPMG Taiwan. There is no evidence of falsification or concealment.

The Company asserts that the charges stem from a discrepancy in understanding between its internal accounting practices and the investigating authorities. Relevant evidence has been provided, and the Company has presented its case to the court to clarify the matter. On June 14, 2024, the Taoyuan District Court ruled a five-month prison sentence, which could be commuted to a daily fine of NT\$1,000. The sentence was suspended for 20 years, with an additional requirement to pay NT\$100,000 to the national treasury within one year of the final ruling. Unaccepting of the verdict, the Company's chairman filed an appeal through legal counsel. On February 19, 2025, the Taiwan High Court overturned the previous ruling, delivering a not-guilty verdict. The Company's Board of Directors affirms that there was no violation of the Business Entity Accounting Act.

On October 11, 2023, the Company received a letter from the Commercial Division of the Intellectual Property and Commercial Court, purporting that the Chairman of Celxpert Energy Corporation is involved in the violation of the Business Entity Accounting Act and therefore requesting to dismiss him from his position as director. The Company filed a commercial lawsuit in accordance with the law and this case has been handed over to an appointed lawyer for processing.

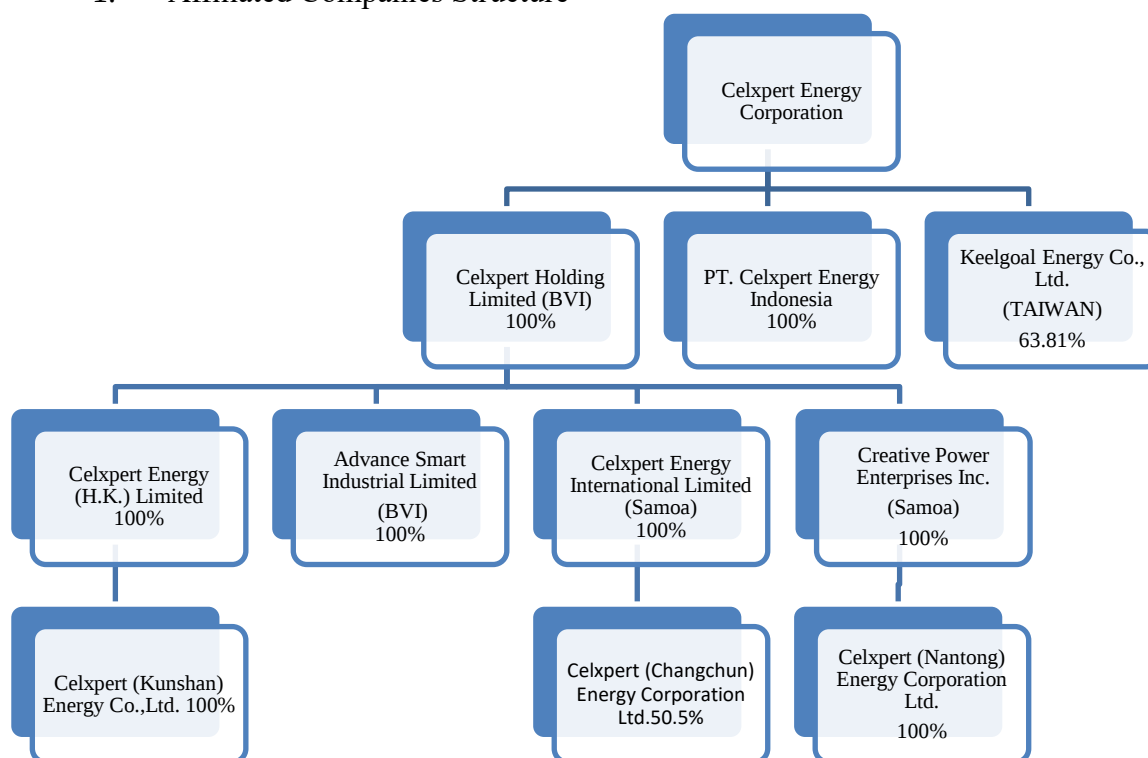
13. Other Major Risks: None.

5.7. Other Important Matters: None.

VI. Special Notes

6.1. Affiliates Information:

1. Affiliated Companies Structure



2. Basic Information of Affiliated Enterprises

December 31, 2024 Unit: Thousands

Company Name	Date of establishment	Address	Paid-in capital	Main business or production items
Celxpert Holdings Limited(BVI)	2000.07.18	P.O. Box 3152, Road Town, Tortola, British Virgin Islands	US\$24,631	Overseas holding company
PT.Celxpert Energy Indonesia	2016.01.13	JL. Raya Purwakarta-Subang, Kampung Cijoged RT/RW 04/01, Desa Lengkong, Kecamatan Cipeundeuy, Kabupaten Subang, Jawa Barat 41272 Indonesia	US\$1,350	Manufacturing, processing and trading of battery packs and power supply related products
Keelgoal Energy Co., Ltd.	2017.01.11	5F-10, No. 18, Taiyuan Street, Zhubei City, Hsinchu County, R.O.C.	NT\$161,000	Research and development of energy technology and information software
Advance Smart Industrial Limited(BVI)	2002.09.12	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	US\$50	import and export trade
Celxpert Energy(H.K.) Limited	2008.07.14	Room 804, Sino Center, 582-592 Nathan Road, Mongkok, Kowloon, Hong Kong	US\$14,220	Overseas holding company
Celxpert Energy International Limited	2011.08.24	Le Sanslele Complex, Ground Floor Vaea Street, Saleufi PO Box 1868, Apia Samoa	-	Overseas holding company
Creative Power Enterprises Inc	2018.11.21	Level 2, Lotemau Centre Building, Vaea Street, Apia, Samoa	US\$10,000	Overseas holding company

Company Name	Date of establishment	Address	Paid-in capital	Main business or production items
Celxpert (Kunshan) Energy Co.,Ltd.	2000.09.19	No. 1111, Hanpu Road, Hi-Tech Park, Kunshan City, Jiangsu Province, China	US\$15,000	Manufacture and sale of parts for primary batteries and primary battery packs
Celxpert (Nantong) Energy Corporation Ltd.	2021.01.22	Group 13, Zushimiao Village, Haian City, Nantong City, Jiangsu Province, China	US\$10,000	Manufacture and sale of parts for primary batteries and primary battery packs
Celxpert (Changchun) Energy Corporation Ltd.	2019.04.29	Room 101, Engineering Complex Office Building of Alloy Aluminum Ingot and Die Casting Project, No. 5855, West of Zhongshan Street, North District, Economic Development Zone		Promoting new energy technology, designing, applying, manufacturing, assembling and selling new energy automobile power battery gradient utilization products

3. The relationship between the Company and its affiliated enterprises, cross-shareholding ratios, numbers of shares held, and actual investment amounts

December 31, 2024; Unit: thousand shares; %; NT\$ thousands; US\$ thousands

Company name	Relation with the Company	Affiliates shareholding by the Company			Shares held by the affiliates
		Number of shares	Shareholding ratio (%)	Investment amount (book value)	—
Celxpert Holdings Limited (BVI)	Subsidiary	24,631	100.00	752,490	—
PT Celxpert Energy Indonesia	Subsidiary	18	100.00	40,767	—
Keelgoal Energy Co., Ltd.	Subsidiary	10,274	63.81	183,401	—
Advance Smart Industrial Limited (BVI)	2nd Tier Subsidiary	50	100.00	1,639 (US\$50)	—
Celxpert Energy (H.K.) Limited	2nd Tier Subsidiary	14,220	100.00	466,203 (US\$14,220)	—
Celxpert Energy International Limited (SAMOA)	2nd Tier Subsidiary	Note 1	100.00	Note 1	—
Creative Power Enterprises Inc (SAMOA)	2nd Tier Subsidiary	10,000	100.00	327,850 (US\$10,000)	—
Celxpert (Kunshan) Energy Co.,Ltd.	3rd Tier Subsidiary	Note 2	100.00	461,711 (US\$14,205)	—
Celxpert (Nantong) Energy Corporation Ltd.	3rd Tier Subsidiary	Note 2	100.00	327,850 (US\$10,000)	—
Celxpert (Changchun) Energy Corporation Ltd.	3rd Tier Subsidiary	Note 1	50.50	Note 1	—

Note 1: Only the registration is completed, the capital is not yet invested in.

Note 2: It is a limited company.

4. Common Shareholders among Controlling and Controlled Entities: None.

5. Business Scope of the Company's Affiliates and Disclose the collaboration status
 - (1) Business Scope of the Company's Affiliates: Business of manufacturing and distributing components for primary batteries and battery packs.
 - (2) The collaboration status between the Company's affiliates: The Company has established a subsidiary in Kunshan, China to meet the delivery requirements of our customers in mainland China. The subsidiary is responsible for production, manufacturing, and sales operations in the Chinese market.

6. Backgrounds of Directors, Supervisors, and General Managers of Affiliated Enterprises

December 31, 2024; unit: thousand shares

Company Name	Job Title	Name or Representative	Shareholding	
			Number of shares	Shareholding ratio
Celxpert Holdings Limited (BVI)	Director	Representative of Celxpert Energy Corporation Shih-Ming Huang	24,631	100%
Celxpert Energy (H.K.) Limited	Director	Representative of Celxpert Holdings Limited Shih-Ming Huang	14,220	100%
Advance Smart Industrial Limited (BVI)	Director	Representative of Celxpert Holdings Limited Shih-Ming Huang	50	100%
Celxpert Energy International Limited (SAMOA)	Director	Representative of Celxpert Holdings Limited Shih-Ming Huang	(Note 2)	100%
Creative Power Enterprises Inc (SAMOA)	Director	Representative of Celxpert Holdings Limited Shih-Ming Huang	10,000	100%
Celxpert (Kunshan) Energy Co.,Ltd.	Director Supervisor General Manager	Shih-Ming Huang, Hsing-Cheng, Hu, Xong-Ying Yang, Jia-Xin Huang, Chun-Che Hsu Chien-Yu Lin Tsung-Ying Yang	(Note 1)	100%
Celxpert (Nantong) Energy Corporation Ltd.	Director Supervisor General Manager	Shih-Ming Huang, Xong-Ying Yang, Jia-Xin Huang Chien-Yu Lin Tsung-Ying Yang	(Note 1)	100%
Celxpert (Changchun) Energy Corporation Ltd.	Director Supervisor General Manager	Shih-Ming Huang, Ching-Jung Huang, Chih Kao Keng Chen Yung-Chun Sun	(Note 2)	50.50%
PT Celxpert Energy Indonesia	Director	Shih-Ming Huang	18	100%
Keelgoal Energy Co., Ltd.	Director Director Director Director Independent Director General Manager	Representative of Celxpert Energy Corporation: Ching-Jung Huang Representative of Celxpert Energy Corporation: Chien-Yu Lin Representative of Celxpert Energy Corporation: Cheng-Yang Tsai Chiao-Pin Wang Yu-Hsin Lin, Chia-Yu Chen, I-Yu Li Tzu-Chiang Sung	10,274	63.81%

Note 1: It is a limited company.

Note 2: Only the registration is completed, the capital is not yet invested in.

7. Performance of Affiliated Enterprises (As of December 31, 2024)

Unit: NT\$ thousand

Company Name	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Operating Revenue	Operating Income	Net Income (Loss) (After Tax)	Earnings (Losses) per Share (NTD) (After Tax)
Celxpert Holdings Limited (BVI)	752,490	369,913	17,926	351,987	0	0	(59,122)	(2.40)
Celxpert Energy (H.K.) Limited	466,203	90,225	0.00	90,225	0	0	(20,341)	(1.43)
Advance Smart Industial Limited (BVI)	1,639	105,436	17,926	87,510	0	0	19	0.38
Celxpert Energy International Limited (SAMOA) (Note 1)	—	—	—	—	—	—	—	—
Celxpert (Changchun) Energy Corporation Ltd. (Note 1)	—	—	—	—	—	—	—	—
Celxpert (Kunshan) Energy Co.,Ltd.	491,775	355,162	284,360	70,802	541,620	(11,208)	(20,348)	Not applicable (Note 2)
Creative Power Enterprises Inc. (SAMOA)	327,850	162,837	0	162,837	0	0	(39,381)	(3.94)
Celxpert (Nantong) Energy Corporation Ltd.	327,850	349,452	186,615	192,837	46,768	(42,735)	(39,381)	N/A (Note 2)
PT Celxpert Energy Indonesia	40,528	3,756	337	3,419	0	(2,909)	(2,891)	(160.61)
Keelgoal Energy Co., Ltd.	161,000	445,451	216,666	228,785	123,898	28,003	31,114	2.47

Note 1: Not yet invested.

Note 2: It is a limited company.

8. Consolidated Financial Statements Covering Affiliated Enterprises

Declaration

For the fiscal year 2024 (from January 1, 2024, to December 31, 2024), the companies required to be included in the Consolidated Financial Report of Affiliated Enterprises, as stipulated under the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises,” are identical to those required to be included in the Consolidated Financial Report of Parent and Subsidiary Companies under International Financial Reporting Standards (IFRS) No. 10, as recognized by the Financial Supervisory Commission (FSC). Additionally, all relevant information required to be disclosed in the Consolidated Financial Report of Affiliated Enterprises has already been disclosed in the aforementioned Consolidated Financial Report of Parent and Subsidiary Companies. Consequently, a separate Consolidated Financial Report of Affiliated Enterprises will not be prepared.

It is hereby declared.

Company name: Celxpert Energy Corporation

Chairman: Shih-Ming Huang

March 14, 2025

9. Relationship report: N/A.

6.2. Disclosure of the Date of the Approvals by the Shareholders' Meeting or the Board Meeting, the Quantity Approved, the Basis and Reasonableness of the Price, the Method for Selecting the Specific Persons, the Reasons For the Necessity of Conducting the Private Placement: None.

6.3. Other Matters Requiring Supplementary Information: None

VII. Disclosure of Events Listed in Article 36-3-2 of the Securities and Exchange Act Which May Have a Significant Influence on Stockholders' Equity or Share Price in the Most Recent Year and the Current Year Up to the Printing Date of this Annual Report: None.