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Company website: www.maobao.com.tw

Mao Bao Inc.

2025 Annual Report

Published on May 20, 2026

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Title: Manager, Finance Section

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II. Address and telephone number of the company's headquarters, branch offices, and factories

1. Headquarter and factory

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Tel: (03) 598-4126

2. Taipei Branch

Address: 19F, No. 97, Section 4, Chongxin Road, Sanchong District, New Taipei City

Tel: (02) 8976-2277

3. Taichung Branch

Address: 6F-1, No. 631, Chongde Rd., Sec. 1, North District, Taichung City

Tel: (02) 8976-2277

4. Kaohsiung Branch

Address: Rm 1509, 15F-2, No. 6, Minquan 2nd Rd, Qianzhen District, Kaohsiung City

Tel: (02) 8976-2277

III. Agency handling shares transfer:

Name: Agent Department, CTBC

Address: 5F, No. 83, Chongqing South. Rd., Sec. 1, Zhongzheng District, Taipei City

Telephone: (02) 6636-5566

Website: <https://www.ctbcbank.com>

IV. Names of the CPAs who duly audited the annual financial report for the most recent fiscal year

CPAs: Juanlu, Man-Yu and Feng Min-chuan

Accounting firm: PwC Taiwan

Address: 27F, No. 333, Keelung Rd., Sec. 1, Taipei City

Tel: (02) 2729-6666

Website: <https://www.pwc.tw>

V. Name of any exchanges where the company's securities are traded offshore, and the method by which to access information on said offshore securities: the Company does not issue offshore securities.

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

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One. Report to the shareholders

Ladies and gentlemen:

The operating results in the past year, and the business plant for the year (2026) are summarized as below:

I. Business Report of the previous year (2025)

(I) Accomplishments in the Implementation of Business Plan

For 2025, the net consolidated operating revenue was NT\$675,104 thousand, decreasing by 13.81% from NT\$593,170 thousand, the net consolidated operating revenue for 2024. The consolidated profit before tax for the year 2025 was NT\$46,189 thousand, compared to the consolidated gain before tax of NT\$22,345 thousand in 2024, representing an increase in profit of NT\$23,844 thousand. This improvement was primarily attributed to growth in overseas market sales and the increase in profitability.

(II) Analysis of Financial Income, Expenditure, and Profitability

Unit: NT\$ thousand

Item		2025	2024	Amount changed	Note
Financial income and payment	Net cash inflow from operating activities	42,085	1,536	40,549	I
	Net cash inflows from investing activities	38,130	(2,102)	40,232	II
	Net cash outflow from financing activities	(22,630)	(1,379)	(21,251)	III
Note 1: Net cash inflows from operating activities decreased from the previous period, due to the decreased net operating profit of the period.					
Note 2: Net cash outflow from investment activities increased from the previous period, due to the additional time deposit in foreign currencies during the period.					
Note 3: Net cash inflow from financing activities increased from the previous period, due to the distribution of cash dividends.					

Item			2025	2024	Changes
Profitability	Return on assets (%)		4.44	1.96	2.48
	Return on shareholder’s equity (%)		5.89	2.60	3.29
	Percentage in the paid-in capital (%)	Operating income	10.49	2.03	8.46
		Net income before tax	10.88	5.26	5.62
	Net profit margin (%)		4.34	2.13	2.21
	Earnings per share (NT\$)		0.69	0.30	0.39

(III) R&D status

The Company has established the technical R&D department, to work and communicate closely with the planning and sales unit, to actively develop the products with market niches, trend setting, and satisfying the consumers' needs.

II. Overview of the business plan for the year (2026)

(I) Operational Policy

1. Optimization of operational efficiency and profit improvement across existing business areas (including regions, channels, and products).

- The Company stays in tune with market information, optimizes product and channel combinations, and establishes the effectiveness of the use of marketing resources.
- Construct an R&D database and implement intelligent interactive modules in stages to bolster R&D capabilities and efficiency. Simultaneously, integrate data feedback from AI-powered CRM modules to accelerate the new product development cycle and improve competitive advantage.
- Continuously refine internal processes and improve overall human resource efficiency through digital collaboration tools.
- On the production side, we have continuously advanced production efficiency and quality improvement projects based on TPM, TQM, and TPS. These efforts have improved production efficiency and effectively controlled product costs and quality while also enhancing supply chain collaboration and refining inventory control to increase customer satisfaction.
- Improve internal communication and resource sharing while ensuring a sustainable talent pipeline and fostering employee development.

2. Digital transformation and expansion of business scope

- Through the implementation and application of digital technology and artificial intelligence technology in both internal and external domains, we continue to enhance and optimize operational efficiency, expand consumer interactions, and strengthen brand recognition.
- Increase R&D and production flexibility by optimizing processes and communication and enhancing workforce capabilities to respond to rapidly changing market demands.
- Expand the scope of operation through the evaluation and development of new channels, new business models, new technologies, new products, new businesses, and new business channels.
- In response to the goal of transformation and new business scope, plan, adjust and establish the corresponding human resource pool.

(II) Expected sales quantity and basis

Unit: Pcs

Item	2026 Forecast
Detergent series	5,731,962
Domestic cleaning series	4,614,843
Personal hygiene protection series	388,436
Others	4,413
Total	10,739,654

(III) Production and sales policy

In 2026, the Company and all its employees continue to strive to create a better outlook for the Company and shareholders.

Item	Policy	Description
1.	Product policy	(1) Leveraging AI and CRM tools allows businesses to stay informed about market dynamics and consumer trends, enabling a swift response to market and customer needs. By targeting specific customer segments, companies can deliver and develop high-value products and services. (2) Strengthen R&D capabilities and efficiency, shorten product development time, and enhance competitiveness.
2.	Marketing policy	(1) Actively integrating AI tools to enhance the efficiency of marketing content creation and deployment. (2) Refining market strategies to strengthen corporate and brand image. (3) Actively developing new channels and business models.
3.	Production policy	(1) Introducing digital tools to advance smart manufacturing has improved production efficiency, stabilized quality, and reduced costs, thereby enhancing competitiveness. (2) The Company ensures that the production unit has the flexibility to respond to the market demand quickly. (3) Expand business and develop domestic and overseas OEM businesses to increase capacity utilization.

III.Future development strategy of the Company

The Company continues to focus on providing professional fabric cleaning and care, home appliance cleaning, personal protection and maintenance solutions, and consulting services, aiming to become the leading brand of household and commercial cleaning, maintenance, and protection products in Taiwan. Building on the existing operational foundation and guided by ESG sustainability strategies in environmental sustainability, social responsibility, and corporate governance, the company is driving transformation through a framework of corporate culture reshaping (Culture), strategic planning and execution (Strategy), organizational restructuring (Organization), and talent development and alignment (People). This is further supported by digital transformation and AI empowerment across operations and production. In addition to strengthening and enhancing current regional operations and business domains, the company is actively expanding into emerging markets and new distribution channels both domestically and internationally. These efforts aim to ensure steady growth in revenue and profitability, maintain product and brand competitiveness, and secure long-term sustainable development.

IV. Effects from the external competition environment, regulatory environment, and overall operating environment

Today's domestic and international markets are fiercely competitive and information transparency is high. Society is aging and birth rates declining, while human awareness and concern for health and environmental protection are increasing daily along with government requirements and regulations for product quality and safety. The changes in the macro environment have presented new challenges to the business.

Given the rapid advancement and growing popularity of AI technology, Unitech has actively introduced AI and digital tools into internal operations, production manufacturing, brand marketing, and consumer communications to strengthen corporate operational efficiency and enhance competitiveness.

In terms of regulatory compliance, the company not only develops, markets, and sells products in accordance with applicable laws and regulations, but also remains vigilant regarding ongoing updates issued by competent authorities in response to environmental changes. These updates are

promptly reflected in internal policies and procedures to ensure continued compliance of existing products. Building on this foundation, the company adheres to a customer-centric, value-driven operational strategy, continually developing and delivering improved residential and commercial cleaning, maintenance, and protection products and solutions for consumers.

The company remains committed to the principle of sustainable development by actively nurturing talent, focusing on research and development, optimizing production and manufacturing, and expanding business operations. Through continued profit generation, we aim to give back to shareholders, employees, and society, while bringing to life our brand philosophy and value proposition: “Everything is Better with Mao Bao at Home.”

Two. Corporate Governance Report

I. Information on directors, supervisors, president(s), vice president(s), associate vice president(s), and head of each department and branch:

1. Information on Directors and Supervisors (I)

April 13, 2026

Job title (Note 1)	Nationality	Name	Gender Age (Interval) (Note 2)	Date of election / appointme nt to current term	Term of office	Commencem ent date of first term (Note 2)	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications (Note 3)	Positions held concurrently in the company and other subsidiaries	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remarks (Note 4)
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Job title	Name	Relationship	
Chairman	ROC	Ling-Yu Investment Co., Ltd.	Female 41-50 years old	2023.06.20	3 years	2023.06.20	6,450,000	15.20%	6,450,000	15.20%	0	0.00%	0	0.00%	MA, Duke University Chairman, Mao Bao Inc. Director, Mao Bao Inc.	None	None	None	Note 3 Increase the number of independent board seats.	
		Representative: Wu, Jui-Hua				2014.06.20	1,455,613	3.43%	365,613	0.86%	200,000	0.47%	0	0.00%		Executive Director of Mao Bao INC. Director, Pacific Worldwide Investment Co., Ltd. Director, Ling-Yu Investment Co., Ltd.	President	Chen, Yi- Hung		Spouse
						Director	Wu, Chao- Wen	Sisters												
						Director	Wu, Hsien- Tai	Father and daughter												
Director	ROC	Ling-Yu Investment Co., Ltd.	Male 61-70 years old	2023.06.20	3 years	2023.06.20	6,450,000	15.20%	6,450,000	15.20%	0	0.00%	0	0.00%	NYU Stern School of Business	None	None	None		
		Representative: He, Yi-Ru				2023.06.20	0	0.00%	0	0.00%	0	0.00%	0	0.00%		Person in Charge of Sanyi International Co., Ltd. President of METALART ENGINEERING CORP.	None	None	None	
Director	ROC	Wu, Chao-Wen	Female 51-60 years old	2023.06.20	3 years	2011.06.17	965,069	2.27%	965,069	2.27%	200,000	0.47%	0	0.00%	Baruch College. MBA Director, Mao Bao Inc.	Director, Pacific Worldwide Investment Co., Ltd.	Chairman	Wu, Rui- Hua	Sisters	
																	Director	Wu, Hsien- Tai	Father and daughter	
Director	ROC	Pacific Worldwide Investment Co., Ltd.	Female 51-60 years old	2023.06.20	3 years	1997.11.05	6,790,856	16.00%	6,790,856	16.00%	0	0.00%	0	0.00%	English Department, FJCU Consultant, Business Department, Tiffany & Co. International, Taiwan Branch Director, Mao Bao Inc.	None	None	None		
		Representative: Wu, Chiao-Jen				2002.06.20	300,998	0.71%	200,998	0.47%	0	0.00%	0	0.00%		None	None	None		
Director	ROC	Pacific Worldwide Investment Co., Ltd.	Male 71-80 years old	2023.06.20	3 years	1997.11.05	6,790,856	16.00%	6,790,856	16.00%	0	0.00%	0	0.00%	Department of Chemical Engineering, Chung Yuan Christian University Ninth Class of Executive Program, National Chengchi University Director, Mao Bao Inc. Chairman, Mao Bao Inc.	Chairman, Pacific Worldwide Investment Co., Ltd. Supervisor, Ling-Yu Investment Co., Ltd.	Director	Wu, Chao- Wen	Father and daughter	
		Representative: Wu, Hsien-Tai				1997.11.05 (Discharged on June 20, 2014)	9,633,459	22.70%	3,574,459	8.42%	1,873,809	4.41%	6,450,000	15.20%			Chairman	Wu, Rui- Hua	Father and daughter	

Job title (Note 1)	Nationality	Name	Gender Age (Interval) (Note 2)	Date of election / appointme nt to current term	Term of office	Commencem ent date of first term (Note 2)	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications (Note 3)	Positions held concurrently in the company and other subsidiaries	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remarks (Note 4)
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Job title	Name	Relationship	
Independent director	ROC	Su, Liang	Male 71-80 years old	2023.06.20	3 years	2017.06.15	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Master, Institute of Information Management, Tamkang University Vice President, RITEK CORPORATION Chairman, MiTAC Information Technology Corp.	Independent Director, UNITECH ELECTRONICS CO., LTD. Director, MiTAC Holdings Corporation Director, EASYCARD Corporation	None	None	None	
Independent director	ROC	Huang, Chien- Cheng	Male 41-50 years old	2023.06.20	3 years	2017.06.15	0	0.00%	0	0.00%	0	0.00%	0	0.00%	LLM, Law School, University of Minnesota Partner Lawyer, Total Solution in One Firm	-	None	None	None	
Independent director	ROC	Chen, Wei-Zhi	Female 41-50 years old	2023.06.20	3 years	2020.06.11	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Harvard Business School (HBS) SELP 14, USA Master of Accounting and Management and Decision-Making, Management College, National Taiwan University	CPA of ROC, the U.S., and South Africa Founder and CEO of JS Linguistics Inc. Vice President, Audit Division, Taiwan Branch, HSBC Convener of the Audit Committee, Wanliyun Interconnected Corporation, British Cayman Islands	None	None	None	
Independent director	ROC	Lin, Chung- Chang	Male 61-70 years old	2023.06.20	3 years	2023.06.20	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Department of International Trade, Fu Jen Catholic University Chairman of FUBURG	Chairman of Fu An Deburg Co., Ltd. Compensation and Remuneration Committee Member of Mao Bao Inc.	None	None	None	

Note 1: This should include information on the general manager, deputy general manager, associate general manager, and supervisors of all divisions and branch offices, as well as individuals holding positions equivalent to those of general manager, deputy general manager, or associate general manager, regardless of their title.

Note 2: Specify experience and qualifications related to the current position. If during a period specified above the person has served in a position at a CPA firm that serves as external auditor/attestor, specify the position held and the duties for which the person was responsible.

Note 3: If the general manager or equivalent (the highest-ranking executive) is the same person as, married to, or a first-degree relative of the chairman, the reasons for this arrangement, its reasonableness, and necessity, as well as mitigating measures (e.g., increasing independent oversight), must be disclosed.

2. Major Shareholders of Corporate Shareholders

April 13, 2026

Name of corporate shareholder	Major shareholder of the corporate shareholder
Pacific Worldwide Investment Co., Ltd.	Wu, Hsien-Tai 70%; Lin, Ai-Yu 10%; Wu, Chao-Wen 10%; Wu, Rui-Hua 10%
Ling-Yu Investment Co., Ltd.	Wu, Rui-Hua 27.86%; Wu, Hsien-Tai 72.14%

3. List any Major Shareholder of Corporate Shareholders that is a Corporate/Juristic Person: None.

4. Information on Directors and Supervisors (II)

I. Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and Supervisors and the Independence of Independent Directors:

Qualifications Name	Professional qualifications and experience (Note 1)	Independence analysis (Note 2)	No. of other public companies at which the person concurrently serves as an independent director
Lingyu Investment Corporation Representative: Wu Rui-Hua	Graduated from Duke University as MA, specializing in the operation and management of the cleaning and maintenance protective equipment industry, as well as the operational planning and leadership decision-making of overseas subsidiaries. Possessing the necessary knowledge, skills and literacy for performing duties, with the comprehensive abilities such as ability operational judgment, ability to perform accounting and financial analysis, ability to conduct management administration, ability to conduct crisis management, knowledge of the industry, international market perspective, ability to lead, and the ability to make policy decisions; currently serving as Chairman/CEO of Mao Bao Inc.; no circumstance specified in Article 30 of the Company Act.	Not applicable	Zero
Lingyu Investment Corporation Representative: He, Yi-Ru	MBA, Stern Business School, New York University, with expertise in corporate management, operations planning, and leadership decision making. Possessing the necessary knowledge, skills and literacy for performing duties, with the comprehensive abilities such as ability operational judgment, ability to perform accounting and financial analysis, ability to conduct management administration, ability to conduct crisis management, knowledge of the industry, international market perspective, ability to lead, and the ability to make policy decisions; currently serving as President of METALART ENGINEERING CORP.; no circumstance specified in Article 30 of the Company Act.	Not applicable	Zero
PACIFIC WORLDWIDE INVESTMENT CO., LTD. Representative: Wu Hsien-Tai	Graduated from Department of Chemical Engineering, Chung Yuan Christian University, specializing in the operation and management of the cleaning and maintenance protective equipment industry, as well as the operational planning and leadership decision-making of overseas subsidiaries. Possessing the necessary knowledge, skills and literacy	Not applicable	Zero

Qualifications Name	Professional qualifications and experience (Note 1)	Independence analysis (Note 2)	No. of other public companies at which the person concurrently serves as an independent director
	for performing duties, with the comprehensive abilities such as ability operational judgment, ability to perform accounting and financial analysis, ability to conduct management administration, ability to conduct crisis management, knowledge of the industry, international market perspective, ability to lead, and ability to make policy decisions, as well as experienced in the industry; currently serving as a director of Mao Bao Inc., and served as Chairman Mao Bao Inc for 35 years.; no circumstance specified in Article 30 of the Company Act.		
PACIFIC WORLDWIDE INVESTMENT CO., LTD. Representative: Wu, Chiao-Jen	Graduated from the English Department of Fu Jen Catholic University and served as a consultant of Business Department, Tiffany & Co. International, Taiwan Branch; specializing in marketing skills, possessing an international market perspective, leadership skills, and decision-making abilities; currently serving as a director of Mao Bao Inc.; no circumstance specified in Article 30 of the Company Act.	Not applicable	Zero
Wu, Chao-Wen	MBA degree from the Baruch College. Possessing the necessary knowledge, skills and literacy for performing duties, with the ability to perform accounting and financial analysis, and knowledge of the industry; currently serving as a Director of Mao Bao Inc; no circumstance specified in Article 30 of the Company Act.	Not applicable	Zero
Su, Liang	Master's degree from the Institute of Information Management, Tamkang University, specializing in the operation and management of the technology industry, as well as the operational planning and leadership decision-making of multinational corporations. Possessing the necessary knowledge, skills and literacy for performing duties, with comprehensive abilities including operational judgment, accounting and financial analysis, management administration, crisis management, leadership, decision-making, and knowledge of the industry and international markets, as well as being considered a leader in their field; currently serving as a Chairman of	As an independent director, eligible for independence: The independent director, his/her spouse, or any relative within the second degree of kinship is not a director, supervisor, or employee of the Company or any of its affiliates; the independent director, his/her spouse, or any relative within the second degree of kinship (or via nominees) is not holding the Company's shares with 0% weight; not a director, supervisor, or employee of the company with a specific relationship with the Company; not having received compensation by providing commercial, legal, financial, or	One

Qualifications Name	Professional qualifications and experience (Note 1)	Independence analysis (Note 2)	No. of other public companies at which the person concurrently serves as an independent director
	MiTAC Information Technology and Independent Director of Mao Bao Inc.; no circumstance specified in Article 30 of the Company Act.	accounting service to the Company or its affiliates; the aforesaid requirements are met for the independence.	
Huang, Chien-Cheng	LLM degree from Law School, University of Minnesota, now serving as the partner lawyer of Total Solution in One Firm; possessing the necessary knowledge, skills and literacy for performing duties, with expertise in laws as a professional lawyer, and the comprehensive abilities such as ability to conduct crisis management, knowledge of the industry, and ability to make policy decisions, able to enhance corporate governance quality and the Audit Committee's supervision function in terms of corporate governance and law compliance. Currently serving as Partner Lawyer, Total Solution in One Firm and Independent Director of Mao Bao Inc.; no circumstance specified in Article 30 of the Company Act.	As an independent director, eligible for independence: The independent director, his/her spouse, or any relative within the second degree of kinship is not a director, supervisor, or employee of the Company or any of its affiliates; the independent director, his/her spouse, or any relative within the second degree of kinship (or via nominees) is not holding the Company's shares with 0% weight; not a director, supervisor, or employee of the company with a specific relationship with the Company; not having received compensation by providing commercial, legal, financial, or accounting service to the Company or its affiliates; the aforesaid requirements are met for the independence.	Zero
Chen, Wei-Zhi	Master of Accounting and Management and Decision-Making, Management College, National Taiwan University and Bachelor and pre-master program, Accounting Institute, National Tshwane University, South Africa; currently serving as the Founder and CEO of JS Linguistics Inc.; possessing the necessary knowledge, skills and literacy for performing duties, with expertise in accounting and finance as a qualified CPA in ROC, the U.S. and South Africa, and the comprehensive abilities such as knowledge of the industry, international market perspective, ability to lead, and ability to make policy decisions; currently serving as the Independent Director of Mao Bao Inc.; no circumstance specified in Article 30 of the Company Act.	As an independent director, eligible for independence: The independent director, his/her spouse, or any relative within the second degree of kinship is not a director, supervisor, or employee of the Company or any of its affiliates; the independent director, his/her spouse, or any relative within the second degree of kinship (or via nominees) is not holding the Company's shares with 0% weight; not a director, supervisor, or employee of the company with a specific relationship with the Company; not having, in the past two years, received compensation by providing commercial, legal, financial, or accounting service to the Company or its affiliates; the aforesaid requirements are met for the independence.	One
Lin, Chung-Chang	Graduated from the Department of International Trade at Fu Jen Catholic University, with expertise in the management of traditional industries,	As an independent director, eligible for independence: The independent director, his/her spouse, or any relative within the	Zero

Qualifications Name	Professional qualifications and experience (Note 1)	Independence analysis (Note 2)	No. of other public companies at which the person concurrently serves as an independent director
	years of experience in operational planning and leadership decision-making for multinational corporate groups. Possessing the necessary knowledge, skills and literacy for performing duties, with the comprehensive abilities such as ability in operational judgment, ability to perform accounting and financial analysis, ability to conduct management administration, ability to conduct crisis management, knowledge of the industry, international market perspective, ability to lead, and ability to make policy decisions, as well as experience in the industry as an excellent model in his specialty area; former Chairman of TPEX-listed Fu Burg Industrial Co., Ltd., and member of Mao Bao Inc.'s ; no circumstance specified in Article 30 of the Company Act.	second degree of kinship is not a director, supervisor, or employee of the Company or any of its affiliates; the independent director, his/her spouse, or any relative within the second degree of kinship (or via nominees) is not holding the Company's shares with 0% weight; not a director, supervisor, or employee of the company with a specific relationship with the Company; not having, in the past two years, received compensation by providing commercial, legal, financial, or accounting service to the Company or its affiliates; the aforesaid requirements are met for the independence.	

II. Diversity and Independence of the Board of Directors:

(I) Diversity of the board of directors:

Diversity policy:

Pursuant to the enhanced functions of board of directors specified in Article 20 of the “Corporate Governance Best Practice Principles” established by the Company, the composition of the board of directors shall be determined by taking diversity into consideration. It is advisable that directors concurrently serving as company officers not exceed one-third of the total number of the board members, and that an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs be formulated and include, without being limited to, the following two general standards: 1. Basic requirements and values: Gender, age, nationality, and culture. 2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

Concrete management objectives:

The board of directors of the Company shall direct company strategies, supervise the management, and be responsible to the company and shareholders. The various procedures and arrangements of its corporate governance system shall ensure that, in exercising its authority, the board of directors complies with laws, regulations, its articles of incorporation, and the resolutions of its shareholders meetings. The Board shall possesses adequate professional knowledge and skills, and the professional background of the members shall cover law, accounting, industry, finance, marketing, and technology. The board of the Company shall possess the following abilities as a whole: 1. Business judgment. 2. Ability to perform accounting and financial analysis. 3. Ability to conduct management administration. 4. Ability to conduct crisis management. 5. Knowledge of the industry. 6. An international market perspective. 7. Ability to lead. 8. Ability to make policy decisions.

(II) Current achievement status and the abilities shall be possessed by the overall board:

Core items for diversity Name of director	Gender	Nationality	Age range	Management administration	Leadership and decision-making	Knowledge of the industry	Finance and accounting	Laws	Marketing
Wu, Rui-Hua	Female	ROC	41-50 years old	v	v	v	v		v
He, Yi-Ru	Male	ROC	61-70 years old	v	v	v	v		v
Wu, Chao-Wen	Female	ROC	51-60 years old				v		
Wu, Hsien-Tai	Male	ROC	71-80 years old	v	v	v	v		v
Wu, Chiao-Jen	Female	ROC	51-60 years old		v	v			v
Su, Liang	Male	ROC	71-80 years old	v	v	v	v		v
Huang, Chien-Cheng	Male	ROC	41-50 years old		v			v	
Chen, Wei-Zhi	Female	ROC	41-50 years old	v	v	v	v		
Lin, Chung-Chang	Male	ROC	61-70 years old	v	v	v	v		v

To strengthen the corporate governance and promote the sound development of the composition and structure of the board of directors, the Company's board member diversity policy takes various needs such as the Company's operating structure, business development direction, and future development trends, and it is advisable to evaluate various diversity aspects, such as: basic composition, professional experience, professional knowledge and skills. The Company's current Board consists of nine directors, including four independent directors. The members have rich experience and expertise in the fields of accounting and finance, commerce, management and law. There are currently nine directors, including four female directors, with a ratio of 44%, more than a half.

(III) Independence of the board of directors:

The Board elects nine directors (including four independent directors, accounting for approximately 44%) pursuant to the Company's Articles of Incorporation, to enhance the independent operation of the Board. The board members are composed of professionals with rich industry experience, as well as in the finance and accounting, legal, and management, to provide guidance in the professional field in the Board; there has been no circumstance specified in Paragraph 3 and 4, Article 26-3 of the Securities and Exchange Act. Through the establishment of an Audit Committee composed of independent directors and a well-established audit management system, the responsibility of supervising the Company's management operations is implemented. In 2025, 4 meetings were convened, with an attendance rate of 80.50% for directors and independent directors. The audit unit reports the results of the internal control system audits to the Board of Directors on a quarterly basis, and holds regular separate communication meetings with independent directors and certified public accountants from PricewaterhouseCoopers, the auditing and certifying accounting firm. On March 12, 2026, a separate communication meeting was convened to discuss the Company's internal controls and financial accounting situation for 2025, and the meeting minutes were disclosed on the Company's official website.

(IV) Directors' Continuing Education Status:

Job title	Name	Class date	Organizer	Course	Hours
Director	Wu, Rui-Hua	2025/4/24	Taiwan Institute of Directors	IFRS 18 Presentation and Disclosure of Financial Statements: The Future Income Statement	3 hours
		2025/7/9	Taiwan Stock Exchange	"2025 Cathay Pacific Sustainable Banking and Climate Change Summit"	6 hours
		2025/10/22	Deloitte An-Hou Construction Industry Sustainable Development Education Foundation	2025 Corporate Personal Data Regulations: A Comprehensive Guide to Compliance and International Alignment	3 hours
Director	Wu, Hsien-Tai	2025/7/9	Taiwan Stock Exchange	"2025 Cathay Pacific Sustainable Banking and Climate Change Summit"	6 hours
Director	Wu, Chao-Wen	2025/8/22	Taishin Holdings	"2025 Taiwan New Net Zero Summit"	3 hours
		2025/10/16	Financial Supervisory Commission	The 15th Taipei Corporate Governance Forum	6 hours
Director	Wu, Chiao-Jen	2025/7/9	Taiwan Stock Exchange	"2025 Cathay Pacific Sustainable Banking and Climate Change Summit"	6 hours
Director	He, Yi-Ru	2025/7/9	Taiwan Stock Exchange	"2025 Cathay Pacific Sustainable Banking and Climate Change Summit"	6 hours
Independent director	Su, Liang	2025/3/25	Taiwan Investor Relations Institute (TIRI)	How can companies navigate the AI revolution and address information security risks as they move into the new era?	3 hours
		2025/7/17	Chinese National Association of Industry and Commerce	Supply Chain Reorganization Trends Under the Global Tariff War and Corporate Strategies	3 hours
		2025/10/15	Taiwan Institute of Directors	Creating a Sustainable Future Together: AI Enablement and Digital Transformation	3 hours
Independent director	Huang, Chien-Cheng	2025/7/9	Taiwan Stock Exchange	"2025 Cathay Pacific Sustainable Banking and Climate Change Summit"	6 hours
Independent director	Chen, Wei-Zhi	2025/7/9	Taiwan Stock Exchange	"2025 Cathay Pacific Sustainable Banking and Climate Change Summit"	6 hours
Independent director	Lin, Chung-Chang	2025/7/9	Taiwan Stock Exchange	"2025 Cathay Pacific Sustainable Banking and Climate Change Summit"	6 hours

5. Information on the Management Team

April 13, 2026

Job title	Nationality	Name	Gender	Date of election / appointment to current term	Shares held		Shares held by spouse or minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions concurrently held in other companies at present	Other managerial officer(s) with which the person has a relationship of spouse or relative within the second degree kinship			Remarks (Note 3)
					No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Job title	Name	Relationship	
President	ROC	Chen, Yi-Hung	Male	2014.09.01	0	0.00%	565,613	1.33%	0	0.00%	MBA, Rotterdam School of Management Master of Chemical Engineering, National Chengkung University	None	Chairman	Wu, Rui-Hua	Spouse	Note 3 Increase the number of independent board seats.
CEO	ROC	Wu, Rui-Hua	Female	2022.04.01	365,613	0.86%	200,000	0.47%	0	0.00%	Duke University.MA	None	President	Chen, Yi-Hung	Spouse	Note 3 Increase the number of independent board seats.
Chief, Division of International Business	ROC	Liu, Wen-Wei	Male	2011.06.17	0	0.00%	1,165,069	2.74%	0	0.00%	Stevens Institute of Technology	None	None	None	None	
Chief of Hsinchu Plant	ROC	Wang Chun-Fu	Male	2025.05.02	0	0.00%	0	0.00%	0	0.00%	Master of Industrial Engineering and Management, National Chiao Tung University	None	None	None	None	
Chief, Division of Daily Necessities Business	ROC	Yu Shu-Hui	Female	2025.05.02	0	0.00%	0	0.00%	0	0.00%	Department of Real Estate Management, National Pingtung University	None	None	None	None	
Chief, Division of Market Development	ROC	Chao Yu-Lan	Female	2025.08.01	0	0.00%	0	0.00%	0	0.00%	Department of Chemical Engineering, National Taipei University of Technology	None	None	None	None	
Head of accounting department	ROC	Chen, Hsuan-Ju	Female	2015.04.01	0	0.00%	0	0.00%	0	0.00%	Master of Finance, National Taipei University	None	None	None	None	
Head of Finance Department and Head of Corporate Governance	ROC	Chao, Jia-Ling	Female	2013.05.01 2023.03.24	0	0.00%	0	0.00%	0	0.00%	Master of Finance, National Taiwan University of Science and Technology	None	None	None	None	

Note 1: This should include information on the general manager, deputy general manager, associate general manager, and supervisors of all divisions and branch offices, as well as individuals holding positions equivalent to those of general manager, deputy general manager, or associate general manager, regardless of their title.

Note 2: Specify experience and qualifications related to the current position. If during a period specified above the person has served in a position at a CPA firm that serves as external auditor/attestor, specify the position held and the duties for which the person was responsible.

Note 3: If the chairperson of the board of directors and the general manager or a person in an equivalent position (the highest level manager) of a company are the same person or are spouses or relatives within the first degree of kinship, provide an explanation of the reason, reasonableness, and necessity thereof, along with the measures adopted in response (e.g., increasing the number of independent directors and ensuring that a majority of directors do not concurrently serve as employees or managerial officers).

II. Remuneration to Directors, Supervisors, Presidents, and Vice Presidents in the Most Recent Year

1. Remuneration to Ordinary Directors and Independent Directors:

Unit: NT\$ thousand December 31, 2025

Job title	Name	Remuneration to directors								Sum of A+B+C+D and ratio to net income		Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income		Remuneration received from investee enterprises other than subsidiaries or from the parent company (Note 11)
		Base compensation (A)		Retirement pay and pension (B)		Director profit-sharing compensation (C)		Expenses and perquisites (D)				Salary, rewards, and special disbursements (F)		Retirement pay and pension (F)		Employee profit-sharing compensation (G)						
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company		All consolidated entities		The Company	All consolidated entities	
Chairman/CEO	Corporate Representative, Ling-Yu Investment Co., Ltd.: Wu Rui-Hua	-	-	-	-	29	29	90	90	041	0.41	2,135	2,913	-	-	-	-	-	-	7.69	10.34	Yes
Director	Corporate Representative, Pacific Worldwide Investment Co., Ltd.: Wu, Hsien-Tai	-	-	-	-	29	29	90	90	041	0.41	-	730	-	-	-	-	-	-	0.41	2.89	Yes
Director	Corporate Representative, Pacific Worldwide Investment Co., Ltd.: Wu, Chiao-Jen	-	-	-	-	29	29	90	90	041	0.41	-	-	-	-	-	-	-	-	041	0.41	None
Director	Lingyu Investment Corporation Representative: He, Yi-Ru	-	-	-	-	29	29	90	90	041	0.41	-	-	-	-	-	-	-	-	041	0.41	None
Director	Wu, Chao-Wen	-	-	-	-	29	29	90	90	041	0.41	-	-	-	-	-	-	-	-	041	0.41	None
Independent director	Su, Liang	-	-	-	-	29	29	180	180	0.71	0.71	-	-	-	-	-	-	-	-	0.71	0.71	None
Independent director	Huang, Chien-Cheng	-	-	-	-	29	29	180	180	0.71	0.71	-	-	-	-	-	-	-	-	0.71	0.71	None

Job title	Name	Remuneration to directors								Sum of A+B+C+D and ratio to net income		Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income		Remuneration received from investee enterprises other than subsidiaries or from the parent company (Note 11)
		Base compensat ion (A)		Retirement pay and pension (B)		Director profit-sharing compensation (C)		Expenses and perquisites (D)				Salary, rewards, and special disbursements (F)		Retirement pay and pension (F)		Employee profit-sharing compensation (G)						
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company		All consolidated entities		The Company	All consolidated entities	
																Amount of cash dividends	Amount of share dividends	Amount of cash dividends	Amount of share dividends			
Independent director	Chen, Wei-Zhi	-	-	-	-	29	29	180	180	0.71	0.71	-	-	-	-	-	-	-	-	0.71	0.71	None
Independent director	Lin, Chung-Chang	-	-	-	-	29	29	180	180	0.71	0.71	-	-	-	-	-	-	-	-	0.71	0.71	None
1. Please describe the policy, system, standards and structure in place for paying remuneration to directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid: The Board is authorized to determine the remunerations to directors and independent directors based on their participations in the Company’s operation and the values they contribute, while referring to the common level among peers. 2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities / invested enterprises): as disclosed in the above table.																						

Remuneration Range Paid to Each Director of the Company	Name of director			
	Sum of A+B+C+D		Sum of A+B+C+D+E+F+G	
	The Company (Note 8)	All consolidated entities (Note 9) H	The Company (Note 8)	Parent company and all investees (Note 9) I
Less than NT\$1,000,000	Wu, Rui-Hua; Wu, Hsien-Tai; Wu, Chao-Wen; Wu, Chiao-Jen; He, Yi-Ru; Huang, Chien-Cheng; Su, Liang; Chen, Wei-Zhi; Lin, Chung-Chang	Wu, Rui-Hua; Wu, Hsien-Tai; Wu, Chao-Wen; Wu, Chiao-Jen; He, Yi-Ru; Huang, Chien-Cheng; Su, Liang; Chen, Wei-Zhi; Lin, Chung-Chang	Wu, Hsien-Tai; Wu, Chao-Wen; Wu, Chiao-Jen; Huang, Chien-Cheng; Su, Liang; Chen, Wei-Zhi	Wu, Hsien-Tai; Wu, Chao-Wen; Wu, Chiao-Jen; Huang, Chien-Cheng; Su, Liang; Chen, Wei-Zhi
NT\$1,000,000 (incl.)~NT\$2,000,000 (excl.)				
NT\$2,000,000 (incl.)~NT\$3,500,000 (excl.)			Wu, Rui-Hua	Wu, Rui-Hua
NT\$3,500,000 (incl.)~NT\$5,000,000 (excl.)				
NT\$5,000,000 (incl.)~NT\$10,000,000 (excl.)				
NT\$10,000,000 (incl.)~NT\$15,000,000 (excl.)				
NT\$15,000,000 (incl.)~NT\$30,000,000 (excl.)				
NT\$30,000,000 (incl.)~NT\$50,000,000 (excl.)				
NT\$50,000,000 (incl.)~NT\$100,000,000 (excl.)				
NT\$100,000,000 or above				
Total	9	9	9	9

Note 1: The names of directors should be listed separately (corporate shareholders should list the names and representatives of corporate shareholders separately), and general directors and independent directors should be listed separately, and the payment amounts should be disclosed in a summary manner. If a director concurrently serves as the general manager or deputy general manager, this form and the following table (3-1), or the following tables (3-2-1) and (3-2-2) should be filled out.

Note 2: Refers to the remuneration of directors for the most recent year (including director salaries, job bonuses, severance pay, various bonuses, rewards, etc.).

Note 3: It refers to the amount of directors' remuneration approved by the board of directors for the most recent year.

Note 4: Refers to the relevant business execution expenses of the directors in the most recent year (including travel expenses, special expenses, various allowances, dormitories, vehicle allocation and other physical provision, etc.). When providing houses, cars and other means of transportation or the expenditures of exclusive individuals, the nature and cost of the assets provided, and the actual or fair market value based rent, fuel and other payments shall be disclosed. In addition, if equipped with a driver, please provide an explanation of the relevant amount paid by

the company to the driver, but not included in the remuneration.

- Note 5: Refers to the amount received by directors and employees (including concurrent general managers, deputy general managers, other managers, and employees) in the most recent year, including salaries, job bonuses, severance pay, various bonuses, rewards, travel expenses, special expenses, various allowances, dormitories, vehicle allocation, and other physical provisions. When providing houses, cars and other means of transportation or the expenditures of exclusive individuals, the nature and cost of the assets provided, and the actual or fair market value based rent, fuel and other payments shall be disclosed. In addition, if equipped with a driver, please provide an explanation of the relevant amount paid by the company to the driver, but not included in the remuneration. In addition, the salary expenses recognized under IFRS 2 “Share-based Payment”, including obtaining employee stock option certificates, restricting employee rights for new shares, and participating in cash capital increase subscription for shares, should also be included in the remuneration.
- Note 6: Refers to the person who has received employee compensation (including stock and cash) for directors and employees (including general manager, deputy general manager, other managers, and employees) in the most recent year. The amount of employee compensation approved by the board of directors for the most recent year should be disclosed. If it cannot be estimated, the proposed distribution amount for this year should be calculated based on the proportion of the actual distribution amount from last year, and a separate Appendix 1-3 should be filled out.
- Note 7: The total amount of various emoluments paid by all companies (including the company) to the directors of the company in the consolidated report should be disclosed.
- Note 8: The total amount of various emoluments paid by the company to each director shall be disclosed in their respective levels.
- Note 9: The total amount of various remuneration paid to each director of the company by all companies (including the company) in the consolidated report should be disclosed, and the names of the directors should be disclosed in their respective levels.
- Note 10: After tax net profit refers to the net profit after tax of individual or individual financial reports in the most recent year.
- Note 11:
- a. This column should clearly indicate the amount of compensation received by the company's directors for reinvestment in enterprises or parent companies outside of their subsidiaries (if none, please fill in “none”).
 - b. If a director of a company receives remuneration from a company that has invested in a business outside of a subsidiary or related to the parent company, the remuneration received by the director from a company that has invested in a business outside of a subsidiary or from the parent company should be included in column I of the remuneration level table, and the column name should be changed to “Parent Company and all reinvested businesses”.
 - c. Remuneration refers to the remuneration, remuneration (including employee, director, and supervisor remuneration), and related business execution expenses received by a director of our company as a director, supervisor, or manager of a reinvested enterprise or parent company outside of a subsidiary.
- * The remuneration content disclosed in this table is different from the income concept in the income tax law, so the purpose of this table is for information disclosure purposes and does not need to be used for taxation.

2. Remuneration to Supervisors: the Company established the Audit Committee on July 3, 2020.

3. Remuneration to President(s) and Vice President(s):

Unit: NT\$ thousand December 31, 2025

Job title	Name	Salary (A)		Retirement pay and pension (B)		Rewards and special disbursements (C)		Employee profit-sharing compensation (D)				Sum of A+B+C+D and ratio to net income		received from investee enterprises other than subsidiaries or from the parent company (Note 11)
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company		All consolidated entities		The Company	All consolidated entities	
								Amount of cash dividends	Amount of share dividends	Amount of cash dividends	Amount of share dividends			
CEO	Wu, Rui-Hua	1,830	2,608	-	-	305	305	-	-	-	-	7.28	9.93	Yes
President	Chen, Yi-Hung	1,272	1,944	79	79	318	318	90	-	90	-	6.00	7.98	Yes

Remuneration Range Paid to Each President and Vice President of the Company	Name of President and Vice President	
	The Company	All consolidated entities E
Less than NT\$1,000,000		
NT\$1,000,000 (incl.)~NT\$2,000,000 (excl.)	Chen, Yi-Hung	
NT\$2,000,000 (incl.)~NT\$3,500,000 (excl.)	Wu, Rui-Hua	Chen, Yi-Hung; Wu, Rui-Hua
NT\$3,500,000 (incl.)~NT\$5,000,000 (excl.)		
NT\$5,000,000 (incl.)~NT\$10,000,000 (excl.)		
NT\$10,000,000 (incl.)~NT\$15,000,000 (excl.)		
NT\$15,000,000 (incl.)~NT\$30,000,000 (excl.)		
NT\$30,000,000 (incl.)~NT\$50,000,000 (excl.)		
NT\$50,000,000 (incl.)~NT\$100,000,000 (excl.)		
NT\$100,000,000 or above		
Total	2	2

Note 1: The names of the general manager and deputy general manager should be listed separately, and the payment amounts should be disclosed in a summary manner. If a director concurrently serves as the general manager or deputy general manager, this form and the above table (1-1), or (1-2-1) and (1-2-2) should be filled out.

Note 2: It refers to the salary, position bonus, and severance pay of the General Manager and Deputy General Manager for the most recent year.

Note 3: It refers to the amount of various bonuses, rewards, travel expenses, special expenses, various allowances, dormitories, vehicle allocation, and other physical rewards provided by the General Manager and Deputy General Manager for the most recent year. When providing houses, cars and other means of transportation or the expenditures of exclusive individuals, the nature and cost of the assets provided, and the actual or fair market value based rent, fuel and other payments shall be disclosed. In addition,

if equipped with a driver, please provide an explanation of the relevant amount paid by the company to the driver, but not included in the remuneration. In addition, the salary expenses recognized under IFRS 2 “Share-based Payment”, including obtaining employee stock option certificates, restricting employee rights for new shares, and participating in cash capital increase subscription for shares, should also be included in the remuneration.

Note 4: It refers to the amount of employee compensation (including stocks and cash) approved by the board of directors for the most recent year to be distributed to the general manager and deputy general manager. If it cannot be estimated, the proposed distribution amount for this year will be calculated based on the proportion of the actual distribution amount last year, and a separate Table 1-3 should be filled out.

Note 5: The total amount of various emoluments paid by all companies (including our company) to the general manager and deputy general manager of our company in the consolidated report should be disclosed.

Note 6: The company shall pay the total amount of various remuneration to each general manager and deputy general manager, and disclose the names of the general manager and deputy general manager in their respective levels.

Note 7: The total amount of various remuneration paid to each general manager and deputy general manager of the company by all companies (including the company) in the consolidated report should be disclosed, and the names of the general manager and deputy general manager should be disclosed in their respective levels.

Note 8: After tax net profit refers to the net profit after tax of individual or individual financial reports in the most recent year.

Note 9: a. This column should clearly indicate the amount of compensation received by the company's general manager and deputy general manager from investments in businesses or parent companies outside of the subsidiary company (if none, please fill in “none”).

b. If the general manager and deputy general manager of the company receive remuneration related to investments or parent companies from outside the subsidiary company, they should include the remuneration received by the general manager and deputy general manager from investments or parent companies outside the subsidiary company in column E of the remuneration level table, and change the column name to “Parent company and all reinvestment businesses”.

c. Remuneration refers to the remuneration, remuneration (including employee, director, and supervisor remuneration), and business execution expenses received by the general manager and deputy general manager of the company as directors, supervisors, or managers of reinvested enterprises or parent companies outside of their subsidiaries.

* The remuneration content disclosed in this table is different from the income concept in the income tax law, so the purpose of this table is for information disclosure purposes and does not need to be used for taxation.

5. Names and Distributions of Employee Profit-Sharing Compensation to Managerial Officers:

Unit: NT\$ thousand December 31, 2025

	Job title	Name	Amount of share dividends	Amount of cash dividends	Total	Ratio of total amount to the net income/loss after tax (%)
Managerial Officer	CEO	Wu, Rui-Hua	0	278	278	0.95
	President	Chen, Yi-Hung				
	Chief of Hsinchu Plant	Wang Chun-Fu				
	Chief, Division of International Business	Liu, Wen-Wei				
	Division of Market Development	Chao Yu-Lan				
	Chief, Division of Daily Necessities Business	Yu Shu-Hui				
	Chief of Accounting	Chen, Hsuan-Ju				
	Chief of Finance	Chao, Jia-Ling				

6. Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, supervisors, presidents, and vice presidents, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure:

- (1) Analysis of total remuneration paid to directors, presidents, and vice presidents, as percentage of net income/loss for the 2 most recent fiscal years for the Company and all companies included in the consolidated financial statements:

Item \ Year	2025		2024		Increase/decrease ratio	
	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities
Director	18.17%	25.59%	39.42%	58.59%	-21.25%	-33.00%
President and Vice President						

- (2) The policies, standards, and packages for remuneration:

- A. Remuneration to Directors and Independent Directors – Directors and independent directors are compensated for their service at the Company in accordance with Article 27 of the Company's Articles of Incorporation, at industry-standard rates regardless of operating profit or loss. Their personal remuneration is also linked to ESG development goals and performance evaluation indicators, including: environment (E): energy management, carbon reduction, and waste management; society (S): talent retention, employee safety, and social welfare; and governance (G): investor relations. In addition, if the company has pre tax net profit for the year, remuneration will be distributed in accordance with the company's articles of association. The remuneration combination of directors and independent directors mainly includes the remuneration and business execution expenses of directors and independent directors.
- B. Remuneration for General Manager and Deputy General Manager – The general manager and deputy general manager shall carry out business operations and management in accordance with the orders of the board of directors, and their dismissal, appointment, and remuneration shall be carried out by resolution of the board of directors in accordance with the provisions of the company's articles of association. The standard of remuneration for managers shall be determined based on their personal performance, work contribution, annual company operating results,

company policy compliance, and other actual work performance, taking into account the level of the industry market. The remuneration combination for managers mainly includes salary, bonuses, and employee compensation.

- (3) Procedure for setting remuneration: The remuneration policies and systems of our company's directors and managers are evaluated by our company's Remuneration Committee in accordance with our company's "Board of Directors Performance Evaluation Measures" and "Employee Remuneration Measures", and recommendations are made to the board of directors for resolution and approval before proceeding. The Remuneration Committee of our company also regularly reviews the performance and remuneration of directors and managers.
- (4) The correlation between operational performance, future risks and remuneration: The remuneration for the company's directors consists only of fixed transportation allowances and attendance fees, while the remuneration for managers is determined with reference to industry market levels and based on individual performance, work contributions, and the Company's operating results. Therefore, the company's operational performance and market conditions are correlated with salary and compensation. When setting the content and amount of compensation for directors and managers in our company, we refer to job performance, but we cannot guide directors and managers to engage in behaviors that exceed the company's risk appetite in pursuit of remuneration.

III. The state of the Company's implementation of corporate governance:

1. The state of operations of the board of directors:

The number of board meetings held in the most recent fiscal year was: four (A). The attendance by the directors and supervisors was as follows:

Job title	Name (Note 1)	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) (B/A) (Note 2)	Remarks
Chairman	Ling-Yu Investment Co., Ltd. Representative: Wu, Jui-Hua	3	1	75%	
Chairman	Ling-Yu Investment Co., Ltd. Representative: He, Yi-Ru	1	3	25%	
Director	Wu, Chao-Wen	4	0	100%	
Chairman	Pacific Worldwide Investment Co., Ltd. Representative: Wu, Hsien-Tai	4	0	100%	
Chairman	Pacific Worldwide Investment Co., Ltd. Representative: Wu, Chiao-Jen	3	1	75%	
Independent director	Su, Liang	4	0	100%	
Independent director	Huang, Chien-Cheng	3	1	75%	
Independent director	Chen, Wei-Zhi	4	0	100%	
Independent director	Lin, Chung-Chang	3	1	75%	

Other information required to be disclosed:

I. If any of the following circumstances exists, specify the board meeting date, meeting session number, content of the motion(s), the opinions of all the independent directors, and the measures taken by the Company based on the opinions of the independent directors:

(I) Any matter under Article 14-3 of the Securities and Exchange Act.

Board of Directors	Content of the motion and follow-up measures
The 9th session of the 15th Board 2025.03.12	2024 business report and financial statements. 2024 Earning distribution. - Proposal of distribution method for the 2024 employee and director remunerations. 2025 Business Plan - Proposal of evaluating the independence and competence of the attesting CPAs. - Proposal of 2024 “Statement of Internal Control System.” - Defined the scope of the Company’s “frontline employees.” - Proposal of amendments to the Company’s “Articles of Incorporation.” - Proposal to establish the “Procedures for Preparation of Sustainability Report” of the Company. - Proposal to convene the 2025 regular shareholders’ meeting. - Proposal to accept the proposals from shareholders with 1% or more shareholding. - Discussion of the proposal of the Remuneration Committee’s deliberation on the compensation for directors (including independent directors) to commute and conduct business. - Discussion of the proposal of the Remuneration Committee’s deliberation for the structure of monthly salary and paid amount for the chairman. - Discussion of the proposal of the Remuneration Committee’s deliberation for the structure of monthly salary and paid amount for the managerial officers. - Proposal to increase the fund-lending limit of the subsidiary of the Company (MAOBAO VIETNAM INC.) by USD 500 thousand and USD 200 thousand. Resolution: approved by all attended directors. Opinions of independent directors: None. Measures taken by the Company based on the opinions of the independent directors: None. Resolution: approved by all attended directors.
The 10th session of the 15th Board 2025.05.12	- Proposal of Q1 2025 financial statements. - Proposal to establish an internal control system for the “Sustainability Information Management Procedures” of the Company. - Amendments to the Company’s “Property, Plant, and Equipment Management Regulations.” - Amendments to the Company’s Seal Management Regulations. - Amendments to the Company’s Contract Management Regulations. - Amendments to the Company’s “Loan Management Guidelines.” - Proposal to increase the fund-lending limit of the subsidiary of the Company (PACIFIC WORLDWIDE HOLDINGS LTD.) by USD 0.3 million. Opinions of independent directors: None. Measures taken by the Company based on the opinions of the independent directors: None. Resolution: approved by all attended directors.
The 11th session of the 15th Board 2025.08.13	- Proposal of Q2 2025 financial statements. - The compensation committee of our company reviews the 2024 remuneration distribution plan for our managers. - The Remuneration Committee of our company will review the remuneration distribution plan for directors in 2024. - Proposal to determine the base date of dividend distribution for cash dividends, distribution date, and related matters. - Proposal to increase the fund-lending limit of the subsidiary of the Company (MAOBAO VIETNAM INC.) by USD 0.7 million. - The Company’s subsidiary (PACIFIC WORLDWIDE HOLDINGS LTD.) proposed a funding loan to its sub-subsidiary (PACIFIC TRADING GROUP CO., LTD.) with a limit of USD 300,000.

	7. 2024 Sustainability Report 8. Proposal amendments to the Company’s "Procedures for Preparation of Sustainability Report". Opinions of independent directors: None. Measures taken by the Company based on the opinions of the independent directors: None. Resolution: approved by all attended directors.
The 12th session of the 15th Board 2025.11.12	1. Proposal of Q3 2025 financial statements. 2. Proposal for Mao Bao (Shanghai) Trading Ltd. earnings distribution in accordance with the law. 3. 2026 Audit plan. 4. Amendments to the Company’s internal controls for salary cycles. 5. Amendments to the internal controls of the Company’s “Sustainable Development Best Practice Principles.” 6. Discussion of the proposal of the Remuneration Committee’s deliberation for the 2025 performance and the remuneration amount for the directors. 7. Discussion of the proposal of the Remuneration Committee’s deliberation for the 2025 performance and the remuneration amount for the directors. 8. Discussion of the proposal of the Remuneration Committee’s deliberation for the 2025 performance and the remuneration amount for the managerial officers. 9. Discussion of the proposal of the Remuneration Committee’s deliberation for the 2026 annual working plan. 10. Proposal to increase the fund-loaning limit of the subsidiary of the Company (MAOBAO VIETNAM INC.) by USD 0.6 million. Opinions of independent directors: None. Measures taken by the Company based on the opinions of the independent directors: None. Resolution: approved by all attended directors.

(II) In addition to the matters referred to above, any dissenting or qualified opinion of an independent director that is on record or stated in writing with respect to any board resolution: none.

II. The status of implementation of recusals of directors with respect to any motions with which they may have a conflict of interest: specify the director’s name, the content of the motion, the cause for recusal, and how the director voted.

Board of Directors	Director	Content of motion	Reason of recusal	Participation of voting
The 9th session of the 15th Board 2025.03.12	Wu, Rui-Hua	1. Discussion of the proposal of the Remuneration Committee’s deliberation for the structure of monthly salary and paid amount for the chairman.	The motion involving individual director	The involving party recused from the discussion and voting, and other attended directors voted.
The 12th session of the 15th Board 2025.11.12	Wu, Rui-Hua	1. Discussion of the proposal of the Remuneration Committee’s deliberation for the 2025 performance and the remuneration amount for the directors.	The motion involving individual director	The involving party recused from the discussion and voting, and other attended directors voted.

III. For a TWSE or TPEX listed company, disclose information including the evaluation cycle and period(s) of the board of directors' self-evaluations (or peer evaluations) and the evaluation method and content. Additionally, complete Table 2(2) Implementation of Evaluations of the Board of Directors.

Evaluation cycle (Note 1)	Evaluation period (Note 2)	Scope of evaluation (Note 3)	Method of evaluation (Note 4)	Evaluation content (Note 5)
Once per year	The performance of the Board between January 1, 2025 to December 31, 2025 was evaluated.	Performance evaluation of the board as a whole, the individual directors, and the functional committees.	Self-evaluation of board member	1. Evaluating the performance of the board of directors: including participation in the operation of the company; improvement of the quality of the board of directors' decision making; composition and structure of the board of directors; election and continuing education of the directors; and internal control. 2. Evaluating the performance of the individual board members: including alignment of the goals and missions of the company; awareness of the duties of a director; participation in the operation of the company; management of internal relationship and communication; the director's professionalism and continuing education; and internal control. 3. Evaluating the performance of functional committees: including the degree of participation in the operation of the company; awareness of the duties of the functional committee;

				improving the quality of decisions made by the functional committee; makeup of the functional committee and election of its members; internal control.
IV. Give an evaluation of the targets that were adopted for strengthening of the functions of the board during the current and immediately preceding fiscal years (e.g., establishing an audit committee, increasing information transparency, etc.) and the measures taken toward achievement thereof. (I) The Company's Corporate Governance Best Practice Principles has established and enforced the "Rules of Procedure for Board of Directors Meetings" since January 1, 2007. And on March 27, 2008, the recusal of directors due to interest conflicts specified in the Board's related proposal was amended to enhance the function of the Board. Actively cooperating with the FSC regulations to amend, to improve the functions of the Board. (II) The Company has adopted the candidate nomination system for directors (including independent directors) since 2020, and an Audit Committee was established at the 2020 shareholders' meeting. The independent directors elected have legal, accounting and finance expertise and skills to enhance the legal knowledge and financial analysis ability of the Board, while strengthening the crisis management and policy decision-making ability of the Board. (III) The Company has established the Investor Section on the Company's website to provide relevant information of concern to investors via the Internet. Disclosing information of finance and operation, and corporate governance is an important responsibility of the Company; the Company has faithfully fulfilled its obligations pursuant to relevant laws and regulations and the stock exchange's requirement. (IV) The Company provides continuing education courses for directors and supervisors from time to time, so that directors and supervisors can easily obtain relevant information. In addition, at the MOPS, the attendance status and continuing education of directors and supervisors are disclosed to the investors to achieve the timely and transparent information disclosure. (V) The Company has established and implemented the spokesperson system, with the spokesperson and the deputy spokesperson in place to speak externally. The unified speaking procedures are specified, and the Company's internal employees are required to keep financial and business secrets confidential, and not to spread information arbitrarily. Where the spokesperson and deputy spokesperson is changed, the information disclosure will be handled immediately. (VI) The board of directors of our company appointed Manager Chao, Jia-Ling, from the Finance Section, as the director of corporate governance. She has more than 3 years of experience in financial and stock management in public companies, which can protect shareholder rights and strengthen the functions of the board of directors. (VII) The 2025 annual board performance evaluation results report and evaluation of implementation (As explained below): Pursuant to the "Rules for Performance Evaluation of Board of Directors," the evaluation of performance for the current year shall be conducted at the end of each year pursuant to the evaluation procedures and indicators; the evaluation period is January 1 to December 31 of the year to be evaluated, and the evaluation shall be completed by the end of Q1 of the next year. The evaluation methods include performance evaluations of the overall board of directors and functional committees and the self-evaluation of individual board members. Ratings are divided into the following categories: very poor, poor, medium, good, and excellent. The Company has conducted the 2025 board performance self-evaluation of the board of directors pursuant to the above-mentioned methods. The results of this evaluation are as follows: I. Overall board of directors: 1. The measurement items include the following five evaluation indicators for total 20 items: Participation in the operation of the company; awareness of the duties of the functional committee; improvement of quality of decisions made by the functional committee; makeup of the functional committee and election of its members and internal control. 2. Self-evaluation result: excellent.				

II.	Individual board members:
1.	The measurement items include the following six evaluation indicators for total 20 items: Alignment of the goals and missions of the company; awareness of the duties of a director; participation in the operation of the company; management of internal relationship and communication; the director's professionalism and continuing education; and internal control.
2.	Self-evaluation result: excellent.
III.	Functional committees:
1.	The measurement items include the following five evaluation indicators for total 20 items: Participation in the operation of the company; awareness of the duties of the functional committee; improvement of quality of decisions made by the functional committee; makeup of the functional committee and election of its members and internal control.
2.	Self-evaluation result: excellent.

2. The state of operations of the audit committee or the state of participation in board meetings by the supervisors:

I. Authority and Work Focus of the Audit Committee:

1. The audit committee of our company is composed of four independent directors. The purpose of the audit committee is to assist the board of directors in overseeing the quality and integrity of the company's execution of accounting, inspections and reviews, financial reporting processes, and financial controls. The authority of this committee are as follows:
 - (1) Establish or amend internal control systems in accordance with Article 14-1 of the Securities and Exchange Law.
 - (2) Assess the effectiveness of internal control systems.
 - (3) According to Article 316-1 of the Securities and Exchange Law, establish or revise the handling procedures for major financial business activities such as acquiring or disposing of assets, engaging in derivative commodity transactions, lending funds to others, endorsing or providing guarantees for others.
 - (4) Matters involving the interests of the directors themselves.
 - (5) Significant asset or derivative transactions.
 - (6) Significant funding loans, endorsements, or guarantees provided.
 - (7) Offer, issue, or privately place securities with equity nature.
 - (8) Appointment, dismissal, or remuneration of certified public accountants.
 - (9) Appointment and removal of financial, accounting, or internal audit supervisors.
 - (10) The annual financial report signed or stamped by the chairman, manager, and accounting supervisor, as well as the second quarter financial report that must be verified and signed by an accountant.
 - (11) Other major matters specified by the company or regulatory authority.
2. The annual work focus includes:
 - (1) Meeting arrangements
 - (2) Implement and track matters according to meeting requirements
 - (3) Provide relevant assistance required by the board of directors
 - (4) Compliance with laws and regulations
 - (5) Related party transaction review

(6) Various financial risk control measures, etc.

II. The number of audit committee meetings held in the most recent fiscal year was: 4 (A). The attendance by the independent directors was as follows:

Job title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) (B / A) (Note 1 and 2)	Remarks
Independent director	Su, Liang	4	0	100%	
Independent director	Huang, Chien-Cheng	3	1	75%	
Independent director	Chen, Wei-Zhi	4	0	100%	
Independent director	Lin, Chung-Chang	3	1	75%	

Other information required to be disclosed:

I. If any of the following circumstances exists, specify the audit committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent directors, the outcomes of audit committee resolutions, and the measures taken by the Company based on the opinions of the audit committee.

(I) Any matter under Article 14-5 of the Securities and Exchange Act.

Audit Committee	Content of motion	Resolution outcome	Measures taken by the Company based on the opinions of the audit committee
The 8th meeting, the 2nd Audit Committee 2025.03.12	2024 business report and financial statements. - Proposal for 2024 deficit compensation. 2025 Business Plan - Proposal of evaluating the independence and competence of the attesting CPAs. - October-December 2024 Audit result report on the effectiveness of internal control system. - Proposal of 2024 "Statement of Internal Control System." - Proposal of amendments to the Company's "Articles of Incorporation." - Proposal to establish the "Procedures for Preparation of Sustainability Report" of the Company. - Proposal to increase the fund-lending limit of the subsidiary of the Company (MAOBAO VIETNAM INC.) by USD 500 thousand and USD 200 thousand.	The unanimous consent was reached after a discussion, and submitted to the Board for resolution.	Submitted to the Board and approved by all attended directors.
The 9th meeting, the 2nd Audit Committee 2025.05.12	- Proposal of Q1 2025 financial statements. - Audit result report of January-March 2025 effectiveness of internal control system.	The unanimous consent was reached after a discussion, and submitted to the	Submitted to the Board and approved by all attended directors.

	3. Proposal to establish an internal control system for the “Sustainability Information Management Procedures” of the Company. 4. Amendments to the Company's “Property, Plant, and Equipment Management Regulations.” 5. Amendments to the Company’s Seal Management Regulations. 6. Amendments to the Company’s Contract Management Regulations. 7. Amendments to the Company’s “Loan Management Guidelines.” 8. Proposal to increase the fund-lending limit of the subsidiary of the Company (PACIFIC WORLDWIDE HOLDINGS LTD.) by USD 0.3 million.	Board for resolution.	
The 10th meeting, the 2nd Audit Committee 2025.08.13	1. Proposal of Q2 2025 financial statements. 2. April-June 2025 Audit result report on the effectiveness of internal control system. 3. Proposal to increase the fund-lending limit of the subsidiary of the Company (MAOBAO VIETNAM INC.) by USD 0.7 million. 4. The Company’s subsidiary (PACIFIC WORLDWIDE HOLDINGS LTD.) proposed a funding loan to its sub-subsidiary (PACIFIC TRADING GROUP CO., LTD.) with a limit of USD 300,000. 5. Proposal amendments to the Company’s "Procedures for Preparation of Sustainability Report".	The unanimous consent was reached after a discussion, and submitted to the Board for resolution.	Submitted to the Board and approved by all attended directors.
The 11th meeting, the 2nd Audit Committee 2025.11.12	1. Proposal of Q3 2025 financial statements. 2. Proposal for Mao Bao (Shanghai) Trading Ltd. earnings distribution in accordance with the law. 3. Audit result report of July-September 2025 effectiveness of internal control system. 4. 2026 Audit plan. 5. Amendments to the Company’s internal controls for salary cycles.	The unanimous consent was reached after a discussion, and submitted to the Board for resolution.	Submitted to the Board and approved by all attended directors.

		6. Amendments to the internal controls of the Company's "Sustainable Development Best Practice Principles." 7. Proposal to increase the fund-lending limit of the subsidiary of the Company (MAOBAO VIETNAM INC.) by USD 0.6 million.		
(II) In addition to the matters referred to above, any matter that was not approved by the audit committee but was approved by a two-thirds or greater majority resolution of the board of directors: None. II. Implementation of recusals of independent directors with respect to any motions with which they may have a conflict of interest: specify the independent director's name, the content of the motion, the cause for recusal, and whether and how the independent director voted: None. III. Communication between the independent directors and the chief internal audit officer and the CPAs that serve as external auditors (including any significant matters communicated with respect to the state of the company's finances and business and the method(s) and outcomes of the communication). All independent directors, the internal audit officer, and Juanlu, Man-Yu, the CPA, convened on March 12, 2025, and attended the 8th meeting of the second Audit Committee on March 12, 2025. Please refer the above and the Company's website for the related resolutions.				

Note:

- * If any independent director left office before the end of the fiscal year, specify the date that they left office in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of audit committee meetings held and the number they attended in person during the period they were in office.
- * If any by-election for independent directors was held before the end of the fiscal year, the names of the new and old independent directors should be filled in the table, with a note stating whether the independent director left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of board meetings held and the number attended in person during the period of each such person's actual time in office.

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

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
I. 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?	✓		The Company has established the Corporate Governance Best-Practice Principles based on the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies,” and disclosed such at the MOPS; the Investor Information Section of the Company website is available for inquiry (http://www.maobao.com.tw)	No significant difference.
II. Shareholding Structure and Shareholders’ Rights (I) Does the Company have Internal Operation Procedures for handling shareholders’ suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?	✓		(I) In addition to handling relevant business on behalf of the stock affairs agency, our company also has an email address for contact information and feedback from stakeholders, as well as a spokesperson and proxy spokesperson system established in accordance with the law to handle shareholder suggestions.	No significant difference.

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(II) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders? (III) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates? (IV) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?	✓ ✓ ✓		(II) The Company and the shareholder service agency regularly update and grasp the list of the Company's directors, managerial officers, major shareholders holding more than 5% of the shares, and their controllers, while reporting relevant information pursuant to regulations. (III) The Company has established the relevant management system and supervision measures for subsidiaries pursuant to laws and regulations, to properly control the risks between the Company and affiliates and establish appropriate firewalls. (IV) The Company has established the "Ethical Conducts" and "Managerial Procedures for Preventing Insider Trading" in the internal control, and implemented such accordingly.	
III. Composition and responsibilities of the board of directors (I) Have a diversity policy and specific management objectives been adopted for the board and have they	✓		(I) The Company has established a Board diversity policy, which is disclosed on the company website. The specific management objectives for board diversity and current implementation status are as follows: I. Diversity policy: Pursuant to the enhanced functions of board of directors specified in Point 23 of the "Corporate Governance Best Practice Principles"	No significant difference.

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
been fully implemented?			established by the Company, the composition of the board of directors shall be determined by taking diversity into consideration. It is advisable that directors concurrently serving as company officers not exceed one-third of the total number of the board members, and that an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs be formulated and include, without being limited to, the following two general standards: 1. Basic requirements and values: Gender, age, nationality, and culture. 2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience. II. Concrete management objectives: board of directors of the Company shall direct company strategies, supervise the management, and be responsible to the company and shareholders. The various procedures and arrangements of its corporate governance system shall ensure that, in exercising its authority, the board of directors complies with laws, regulations, its articles of incorporation, and the resolutions of its shareholders meetings. The Board shall possesses adequate professional knowledge and skills, and the professional background of the members shall cover law, accounting, industry, finance, marketing, and technology. The overall board of the Company shall possess the following abilities: 1. Ability to make operational judgments. 2. Ability to perform accounting and financial analysis. 3. Ability to conduct management administration. 4. Ability to conduct crisis management. 5. Knowledge of the industry. 6. An international market perspective. 7. Ability to lead. 8. Ability to make policy decisions. III. Current achievement status and the abilities shall be possessed by the overall board:	

Evaluation item	Implementation status (Note)								Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons								
	Yes	No	Summary description														
			Core items for diversity	Gender	Management administration	Leadership and decision-making	Knowledge of accounting	Finance and accounting	Laws	Marketing							
			Name of director														
			Wu, Rui-Hua								Female	v	v	v	v		v
			He, Yi-Ru								Male	v	v	v	v		v
			Wu, Chao-Wen								Female				v		
			Wu, Hsien-Tai								Male	v	v	v	v		v
			Wu, Chiao-Jen								Female		v	v			v
			Su, Liang								Male	v	v	v	v		v
			Huang, Chien-Cheng								Male		v	v		v	
			Chen, Wei-Zhi								Female	v	v	v	v		
			Lin, Chung-Chang								Male	v	v	v	v		v
			To strengthen the corporate governance of the composition and structure of the board of directors, the Company's board member diversity policy takes various needs such as the Company's operating structure, business development direction, and future development trends, and it is advisable to evaluate various diversity aspects, such as: basic composition, professional experience, professional knowledge and skills. The Company's current Board consists of 9 directors, including 4 independent directors. The members have rich experience and expertise in the fields of accounting and finance, commerce, management and law. In addition, the Company also pays attention to gender equality in the composition of the Board. The goal is to have 25% or more female among the														

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(II) Has the Company voluntarily established other functional committees in addition to the remuneration committee and the audit committee?	✓		directors. The Company currently has nine directors, including four female directors, accounted for 44%. (II) The Company has established the Audit Committee in June 2020. Currently, the function of the Supervisor is replaced by Audit Committee. According to the Company's practical needs, the Remuneration Committee has been established with three members. The Company has always been insisting the attitude of "taking from the society and feeding back to the society" regarding the corporate social responsibility that the Company should fulfill. Since December 2014, the Corporate Social Responsibility Promotion Committee has been established. And later renamed as the Sustainable Development Committee, actively promoting various activities on social responsibility issues such as economic, environmental, and social aspects.	
(III) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the board	✓		(III) The Company regularly conducts performance evaluation every year as the basis for the performance evaluation of the Board, and applies such as a reference for the compensation and re-election nomination of individual directors. The 2025 performance evaluation of the Board was conducted in the board meeting on March 12, 2026. Since 2025, the performance evaluation of the Board would include functional committees (e.g. the Audit Committee and Remuneration Committee), and the evaluation results would be reported in a board meeting while being disclosed on the official website/material resolutions of the Board/the 13rd meeting minutes of the 15th Board.	

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
of directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms? (IV) Does the Company regularly evaluate its external auditors' independence?	✓		(IV) Pursuant to Article 29 of the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies," the Company evaluates the independence of the engaged CPAs every year, to evaluate whether the CPAs or their family members have material financial interests, business relationships, hold important positions or have direct and material influence on the audit tasks, no related to directors or managerial officers as a second-degree kinship, and receive any gifts with great value. The CPAs are requested to present the independence declaration, to be submitted to the Board for approval before engaging the CPAs. The description of its evaluation process is disclosed in the annual report. The Company conducted the 2026 evaluation for the independence of attesting CPAs in the board meeting on March 12, 2026.	
IV. Does the TWSE/TPEX listed company have in place an adequate number of qualified corporate governance	✓		Our company is currently responsible for corporate governance affairs by the finance department. The board of directors appointed the Chief of Finance, Manager Chao, Jia-Ling, to concurrently serve as the corporate governance supervisor. She has more than three years of experience in managing finance, accounting, and stock affairs in public companies, which can protect shareholder	No significant difference.

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
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)?			rights and strengthen the functions of the board of directors. This includes providing the necessary information for directors to carry out their business, handling relevant matters related to the meetings of the board of directors and shareholders in accordance with the law, handling company registration and change registration, and preparing minutes of the board of directors and shareholders' meetings.	

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
V. Has the Company established channels for communicating with its stakeholders (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?	✓		The Company has established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and has created a stakeholders section on its website. The Company also appropriately responds to stakeholders' concerns regarding important corporate social responsibility issues. The relevant practices are described as follows: (I) The Company's website has a section for the contact information and feedback of stakeholders, including customer, shareholder, supplier, and employee sections. This setup ensures appropriate response to stakeholders' concerns regarding important corporate social responsibility issues. (II) Set up the 0800 customer service hotline to respond to consumers' questions about products and repair requests in a timely manner, for the smooth communication channel with consumers. (III) Establish the spokespersons and deputy spokespersons to respond to important issues concerned by shareholders. (IV) Regularly hold labor-management meetings, establish the employee opinion mailboxes and the Company's internal website, announce the Company's information related to HR and the Welfare Committee from time to time, and set up emails for employee wellness, appeals, and whistleblowing. (V) Establish communication channels with stakeholders through communication approaches such as the Internet, e-mail, telephone, and fax. The Company is expected to report on the communication with stakeholders for 2025 in the board meeting on May 13, 2026, and disclose the report results on the official website along with the material resolutions of the Board and the 14th meeting minutes of the 15th Board.	No significant difference.

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
VI. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	✓		The Company has appointed a professional shareholder services agent, the Shareholder Service Agent Department of CTBC, to handle matters related to its shareholder meetings?	No significant difference.
VII. Information Disclosure (I) Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status? (II) 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,	✓ ✓		(I) The Company's official website is https://www.maobao.com.tw ; the information related to the Company's finance, operations, and corporate governance has been disclosed in the MOPS pursuant to laws and regulations. (II) The Company has appointed dedicated personnel responsible for information collection and disclosure according to their duties. The Company has a complete spokesperson system structured pursuant to laws. The spokesperson is Chen, Hsuan-Ju (Manager), and the acting spokesperson is Chao, Jia-Ling (Manager). The annual investor conference materials have been posted on the Company's website.	No significant difference.

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
webcasting investors conference etc.)? (III) 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?	✓		(III) Our company has announced and submitted its annual financial report within the last two months of the fiscal year, and the accounting unit will evaluate the feasibility of future improvements. The individual financial report and consolidated financial report for the year 2025 were submitted to the board of directors for approval on March 12, 2026, and announced on the Public Information Observatory. Our company's financial reports for the first, second, and third quarters of 2025, as well as the operating conditions for each month of 2025, have been announced and declared by the Public Information Observatory ahead of the prescribed deadline.	
VIII. 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	✓		(I) Employee rights: 1. The Company specifies in the Company's Articles of Incorporation that the proportion of employee remuneration should be ranged to protect the rights of employees to share the operating results. 2. The Company has the Employee Welfare Committee in place, and the Company provides stable sources of funds to handle various employee welfare measures and improve employee benefits. 3. In addition to the labor and national health insurance for employees pursuant to laws, and contributions of pensions for employees to work with peace of mind, the Company also purchases the group insurance to improve the protection for employees and their families.	No significant difference.

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
relations, rights of stakeholders, 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)?			(II) Employee wellness: other than establishing the Employee Welfare Committee, the Company often holds employee social gatherings and domestic and foreign employee travel, and implements the pension system, it also encourages employees to attend in various domestic or overseas training courses and technical seminars; the Company values the labor relation, provides equal employment opportunities, and sets up emails for employee wellness, appeals, and whistleblowing. (III) Investor relations: The Company has the website, spokespersons and deputy spokespersons to provide investors with the Company information at any time and maintain investor relationships. (IV) Supplier relations: to protect the rights and interests of suppliers, the Company provides suppliers with all financial and operating information needed to evaluate the Company's credit status under the premise of not violating laws and regulations or endangering the rights of the Company and shareholders. (V) Rights of stakeholders: The Company provides various responsible units as communication channels for stakeholders to protect the rights and interests of all stakeholders, and has a dedicated section for stakeholders. (VI) Directors' continuing education: The directors of the Company all have industrial professional background and practical experience in operation and management. The Company also provides relevant training information from time to time for reference. In addition, all nine directors meet the number of training hours per year pursuant to laws and regulations. The number of director training hours in 2025 exceeded the statutory number of training hours by 66 hours.	

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			(VII) Implementation status of risk management policies and risk measurement standards: Various internal regulations are formulated pursuant to laws, and various risk management evaluations are conducted; for details, see the annual financial report, review and analysis of operating results, risk review and analysis in the annual report. (VIII) Implementation of policies to protect consumers or customers: Our company maintains stable and good relationships with customers, and has an 0800 customer appeal hotline responsible for handling complaints from consumers or customers. (IX) Status of liability insurance purchased for directors and managerial officers: The Company has purchased the liability insurance for directors and managerial officers for 2018. The insurance was renewed in 2025. (X) The Company's dedicated unit is expected to report on the operation of corporate governance to the Board on May 13, 2026, and disclose such on the official website/corporate social responsibility area section every year. (XI) Intellectual Property Management Plan and Implementation Status (XII) The Company has integrated intellectual property management into its business strategy, building a protection system focused on patents, trademarks, and trade secrets. Ensure the brand maintains its leading position through robust risk management (e.g., contract review, regular inventory checks) and comprehensive staff training. The project utilizes the PDCA cycle for management, and implementation results are reported to the Board of Directors annually. This approach supports the company's corporate governance evaluation metrics and transforms intellectual property assets into intangible value for long-term corporate sustainability. The results for 2025 are as follows:	

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEx Listed Companies and the reasons	
	Yes	No	Summary description		
			Implemented tasks	Results	
			Contract review	Completed reviews of 101 supplier contracts for fiscal year 2025. Intellectual property protection and confidentiality clauses were included to protect the Company's interests.	
			Trademarks Inventory	As of December 31, 2025, there are a total of 14 valid domestic and international trademark rights.	
IX. 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.) Corporate improvement status for 2025: The 2025 corporate value plan has been reported to the Board of Directors and uploaded to MOPS. Priority enhancement items and measures for 2026: Disclosed Category 3 items from the 2025 greenhouse gas inventory.					

Note: Regardless of whether “Yes” or “No” is ticked regarding the implementation status, an explanation should still be provided in the explanation column for each item.

4. The state of Remuneration Committee

The Company has established the Remuneration Committee in December 2011, and appointed three remuneration committee members through the Board. Since 2012, the Remuneration Committee has been convened at least twice a year.

I. Information on Remuneration Committee Members:

Qualifications Capacity (Note 1) Name		Professional qualifications and experience	Independence analysis	Number of other public companies at which the person concurrently serves as remuneration committee member
Independent director (Convener)	Su, Liang	Please refer to Table 1 for information on directors and independent directors (II).	Please refer to Table 1 for information on directors and independent directors (II).	Zero
Independent director	Huang, Chien-Cheng	Please refer to Table 1 for information on directors and independent directors (II).	Please refer to Table 1 for information on directors and independent directors (II).	Zero
Independent director	Lin, Chung-Chang	Please refer to Table 1 for information on directors and independent directors (II).	Please refer to Table 1 for information on directors and independent directors (II).	Zero

II. Operation of the Remuneration Committee

(I) The Company's remuneration committee has a total of three members.

(II) The term of the current members is from June 20, 2023 to June 19, 2026. The number of remuneration committee meetings held in the most recent fiscal year was: 3 (A). The attendance by the members was as follows:

Job title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) (B / A) (Note)	Remarks
Convener	Su, Liang	3	0	100%	
Committee member	Huang, Chien-Cheng	3	0	100%	
Committee member	Lin, Chung-Chang	2	0	67%	

Other information required to be disclosed:

- I. If the board of directors does not accept, or amends, any recommendation of the remuneration committee, specify the board meeting date, meeting session number, content of the recommendation(s), the outcome of the resolution(s) of the board of directors, and the measures taken by the Company with respect to the opinions given by of the remuneration committee (e.g., if the salary/compensation approved by the board is higher than the recommendation of the remuneration committee, specify the difference(s) and the reasons): None.
- II. With respect to any matter for resolution by the remuneration committee, if there is any dissenting or qualified opinion of a committee member that is on record or stated in writing, specify the remuneration committee

meeting date, meeting session number, content of the motion, the opinions of all members, and the measures taken by the Company with respect to the members' opinion.

The Remuneration Committee meeting dates, meeting session numbers, content of the recommendation(s), the outcome of the resolution(s), and the measures taken by the Company with respect to the opinions given by of the remuneration committee are as follows:

Remuneration Committee	Content of the motion and follow-up measures	Resolution outcome	Measures taken by the Company with respect to the opinions given by of the remuneration committee
The 5th meeting, the 5th Audit Committee 2025.03.12	1. Discussion of the proposal of distribution method for the 2024 employee and director remunerations. 2. Discussion of transportation allowances for directors (including independent directors) and remunerations for service execution. 3. Discussion of the proposal of the Remuneration Committee's deliberation for the structure of monthly salary and paid amount for the chairman. 4. Discussion of the proposal of the Remuneration Committee's deliberation for the structure of monthly salary and paid amount for the managerial officers.	The unanimous consent was reached after a discussion, and submitted to the Board for approval.	Submitted to the Board and approved by all attended directors.
The 6th meeting, the 5th Audit Committee 2025.08.13	1. Proposal of remuneration distribution to managerial officers for 2024. 2. Proposal of remuneration distribution to directors for 2024.	The unanimous consent was reached after a discussion, and submitted to the Board for approval.	Submitted to the Board and approved by all attended directors.
The 7th meeting, the 5th Audit Committee 2025.11.12	1. Discussion of the 2025 performance and the remuneration amount for the directors. 2. Discussion of the 2025 performance and the remuneration amount for the directors. 3. Discussion of the 2025 performance and the remuneration amount for the managerial officers. 4. Deliberation on the 2026 annual working plan.	The unanimous consent was reached after a discussion, and submitted to the Board for approval.	Submitted to the Board and approved by all attended directors.

III. Information on members of the Nomination Committee and its operation: None. The Company has not established the committee.

5. Implementation of Sustainable Development Practices and Any Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons:

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development Best Practice Principles</u> for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
I. Has the Company <u>established a governance framework for promoting sustainable development, and established an exclusively</u> (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	✓		1. Mao Bao's board of directors has adopted the Code of Practice for Sustainable Development of Enterprises, and the board authorizes the general manager to establish a Sustainable Development Committee, with the general manager appointed as the chairman. The Sustainable Development Committee formulates a sustainable development policy and is responsible for promoting and implementing it within the Company, gradually integrating the concept of sustainable management into the Company's corporate culture. The Sustainable Development Committee is composed of unit heads convened by the president. The president is responsible for the strategic planning and implementation, as well as the effectiveness review of the Company's sustainable development in terms of the economy, environment, and society. The Finance Section is responsible for promoting sustainable development, and each committee member is responsible for implementing and reporting the outcomes. The implementation of the Sustainable Development Committee is reported to the Board for the outcomes every year, to facilitate the Board to supervise the sustainable development and the effectiveness of the implementation. 2. The Company's governance structure for promoting sustainable development, the composition and operation of the responsible unit and its members, and the implementation status for the year (please refer to Chapter 1.1 – Sustainable Development Committee of the Company's ESG Report). 3. Sustainable management vision and policy	No significant difference.

Promotion Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons						
	Yes	No	Summary description							
			<table><tr><td>Our vision</td><td>Taiwan's No. 1 brand of cleaning, maintenance, and protective products / developing emerging markets and marketing throughout Asia</td></tr><tr><td>Our business philosophy</td><td>Ethical management/research and innovation/commitment to environmental protection/feed back to the society</td></tr><tr><td>Our corporate social responsibility policy</td><td>Compliance with laws and regulations and customers' requirements/green products/provision of a healthy and safe workplace/social co-prosperity</td></tr></table>	Our vision	Taiwan's No. 1 brand of cleaning, maintenance, and protective products / developing emerging markets and marketing throughout Asia	Our business philosophy	Ethical management/research and innovation/commitment to environmental protection/feed back to the society	Our corporate social responsibility policy	Compliance with laws and regulations and customers' requirements/green products/provision of a healthy and safe workplace/social co-prosperity	
Our vision	Taiwan's No. 1 brand of cleaning, maintenance, and protective products / developing emerging markets and marketing throughout Asia									
Our business philosophy	Ethical management/research and innovation/commitment to environmental protection/feed back to the society									
Our corporate social responsibility policy	Compliance with laws and regulations and customers' requirements/green products/provision of a healthy and safe workplace/social co-prosperity									
II. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (Note 2)	✓		1. The major concerns and boundaries are mainly related to Mao Bao Inc., not including Pacific Worldwide Holdings Ltd., Mao Bao Vietnam Inc., and Mao Bao (Shanghai) Trading Ltd. 2. Stakeholders are inseparable from the Company's operations. We pay attention to the needs of stakeholders, and to make the information disclosed in the report to meet the needs of stakeholders, Mao Bao conducts a substantive analysis of the report, through "identification of stakeholders," "collection of sustainability issues," "investigation of issues concerned by stakeholders," "analysis of major issues," and "reviews and results" to determine the major issues of the sustainability report. <table><tr><th>Risk item</th><th>Risk description</th><th>Planned approaches and countermeasures</th></tr><tr><td>Financial risk</td><td>Customers' accounts receivable risk</td><td>Based on the size of the customers and the transaction amount, the pledge is set with a reasonable</td></tr></table>	Risk item	Risk description	Planned approaches and countermeasures	Financial risk	Customers' accounts receivable risk	Based on the size of the customers and the transaction amount, the pledge is set with a reasonable	No significant difference.
Risk item	Risk description	Planned approaches and countermeasures								
Financial risk	Customers' accounts receivable risk	Based on the size of the customers and the transaction amount, the pledge is set with a reasonable								

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Summary description	Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No			
					corresponding amount and model before transacting with the customer, and a reasonable credit limit is set depending on the demand. In the ERP system, these whose receivables exceeding the credit limit will be controlled for the shipment, and the relevant units will warn in a timely manner and actively to collect accounts, minimizing the risk of customers' transaction accounts.
			Competition risk	Competing brands enter the market with similar products or competing prices, affecting sales, revenue, and profitability	The Company actively conducts consumer and market researches, continues the momentum and planning to adjust and develop products, strengthens the information confidentiality, maintains product and brand competitiveness; it also continuously monitors the movement of competing products in the markets, and establishes a real-time feedback mechanism for business and marketing planning units for the market, to respond to

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)					Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description			
					competitors' strategies and actions in advance or instantly, to maintain our own competitiveness.	
			Legal compliance risk	Addition, amendments, or expanded interpretations of relevant laws and regulations, such as merchandise labeling, food hygiene, and environmental protection	The Company ensures that products and operations comply with existing regulations, maintains close contact with relevant associations to receive the latest regulatory information, and actively obtain electronic information from relevant government agencies.	
			Environmental pollution and climate change risk	Changes in the environmental impact of products’ raw materials, product manufacturing, production and transportation	The Company continuously maintains close communications with upstream and downstream stakeholders in the supply chain to ensure that the raw materials and sections adopted in production operations to comply with relevant environmental protection regulations, and prioritizes the utilization of those with the least impact on the environment (such as raw materials with high	

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)				Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons	
	Yes	No	Summary description			
					biodegradability, high safety, high performance and low consumption), while actively studying various forms of energy-saving and carbon-reduction measures.	
			Risk of disrupted raw material supply	The supply capacity of major raw material suppliers is limited or the delivery period is extended, affecting production and supply, and lower the market competitiveness and brand reputation	For the main raw materials or packaging materials, the secondary suppliers of the main raw materials are sought or developed, while the cooperative relationships with at least two suppliers are maintained.	
			Water constraint	Limited production capability	The Company actively takes measures related to water-saving, monitors water consumption and avoids unnecessary water loss and waste, while evaluating products and processes reducing water consumption.	
			Changes in the government’s energy policy	Higher power prices lead to higher production costs	The Company is actively implementing measures to conserve electricity and continuously discussing optimization	

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			various production processes. In re to the government's new energy po solar power generation facilities we completed and installed at the Hsin plant in 2022, and the second phase solar power generation facilities wa completed for installation in 2024. expected to address the increase in production costs due to electricity p hikes and have positive effects on t energy conservation and carbon red	
III. Environmental Issues (I) Has the Company set an environmental management system designed to industry characteristics?	✓		In implementing its environmental management system, the Company complied with the relevant laws and regulations—including the Air Pollution Control Act, the Water Pollution Control Act, the Waste Disposal Act, the Toxic and Precursor Chemicals Management Act, the Soil and Groundwater Pollution Remediation Act, and the Climate Change Response Act—based on its factory processes, pollutant source types, and chemical operations. Additionally, the Company adhered to the provisions of the Resource Recycling Act regarding product packaging and recycling responsibilities.	No significant difference
(II) Does the Company endeavor to use <u>energy</u> more efficiently <u>and</u> to use renewable materials with low environmental impact?	✓		(I) Green Procurement: We are committed to developing products that meet environmental protection requirements, reducing the burden on the Earth's environment, and ensuring consumers can participate in environmental protection actions while enjoying efficient cleaning.	No significant difference

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			In the selection of surfactants, the company is gradually transitioning to raw materials based on renewable resources, prioritizing surfactants derived from natural coconut oil or palm oil (such as: Sodium Laureth Sulfate, SLES), which significantly reduce carbon emissions during production compared to surfactants from petrochemical sources (such as: Linear Alkylbenzene Sulfonate, LAS). Plant-based raw materials absorb carbon dioxide during their growth process, further reducing the overall carbon footprint and conforming to the principles of green chemistry and sustainable development. To fulfill our carbon reduction commitments, we have actively adjusted our raw material supply chain and partnered with suppliers that meet sustainability standards (such as RSPO Sustainable Palm Oil Certification), ensuring that our natural oil sources comply with environmental protection and social responsibility standards. In 2025, we used 48.4 tons of surfactant (SLES 70%) derived from coconut oil or palm oil, demonstrating the positive environmental impact of our innovative research and development.	
(III) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	✓		The Company has assessed the potential risks and opportunities of climate change for its current and future operations, and has integrated the relevant issues into its operational management. Mao Bao references the TCFD framework, identifying, assessing, and managing climate-related risks and opportunities according to its four core elements: Governance, Strategy, Risk Management, and Metrics and Targets. The Sustainable Development Committee (ESG Committee) discusses and evaluates the related issues, and the ESG Committee Chair makes final decisions.	No significant difference.

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			After identification, potential risks and opportunities of climate change include: Transformation risk - policy and regulatory risk The Greenhouse Gas Reduction and Management Act has been amended to the Climate Change Response Act, and it is planned that carbon fees will be levied on products with high direct or indirect emissions in 2025. The potential impact on finances is an increase in operating costs, but the overall impact on operations is not expected to be significant. In response, Mao Bao has introduced greenhouse gas inventory and product carbon footprint inventory in 2022, and set future carbon reduction targets. Physical Risk - Immediacies Due to the increasing frequency of extreme weather events such as typhoons and heavy rainfalls, there is a possibility of flooding in the factory area, which could impact the operation of the factory areas. After assessment, it may result in financial losses. The factory has installed flood prevention facilities, so the overall impact on operations is not expected to be significant. Mao Bao 's has implemented measures to address this issue, such as regular cleaning and maintenance of the drainage system and has established an emergency response plan for typhoons and heavy rainfalls to reduce immediate risks. Extreme climates may disrupt the transportation of raw materials and products, jeopardizing personnel safety, and increase transportation costs. Mao Bao's response measures include consolidating orders for transportation to reduce the number of trips, achieving carbon reduction targets, and also avoiding product and personnel losses. Resource efficiency opportunities	

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons																		
	Yes	No	Summary description																			
			In addition to complying with the government's water conservation policies, Mao Bao continues to implement water resource recycling to reduce the reliance on raw water resources and reduce wastewater discharge. While this may slightly increase operating costs, it will not have a significant impact on overall operations.																			
(IV)Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	✓		The greenhouse gas inventory for the year 2025 is expected to be completed by the end of June 2026. The total emissions for the year were 2,794.069 metric tons of CO2e per year, with an emission intensity of 4.39 metric tons of CO2e per million revenue. Scope of information: Taipei Branch and the Hsinchu Hukou plant. (1) GHG:<table><tr><td></td><td>2024</td><td>2025</td></tr><tr><td>Emission mode</td><td>Carbon dioxide equivalent (tCO2e)</td><td>Carbon dioxide equivalent (tCO2e)</td></tr><tr><td>Scope 1: Direct greenhouse gas emissions and removals</td><td>158.60</td><td>156.3397</td></tr><tr><td>Direct emissions: stationary sources</td><td></td><td>135.0084</td></tr><tr><td>Direct emission: leakage</td><td></td><td>11.2808</td></tr><tr><td>Direct emissions: mobile sources</td><td></td><td>10.0505</td></tr></table>		2024	2025	Emission mode	Carbon dioxide equivalent (tCO2e)	Carbon dioxide equivalent (tCO2e)	Scope 1: Direct greenhouse gas emissions and removals	158.60	156.3397	Direct emissions: stationary sources		135.0084	Direct emission: leakage		11.2808	Direct emissions: mobile sources		10.0505	No significant difference.
	2024	2025																				
Emission mode	Carbon dioxide equivalent (tCO2e)	Carbon dioxide equivalent (tCO2e)																				
Scope 1: Direct greenhouse gas emissions and removals	158.60	156.3397																				
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<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons			
	Yes	No	Summary description				
			Scope 2: Indirect greenhouse gas emissions from imported energy	395.43	405.4379		
			Indirect emissions – purchased electricity	395.43	405.4379		
			Scope 3: Other indirect greenhouse gas emissions	117.13	2,232.2912		
			Purchased products and services		2,090.508		
			Fuel and energy activities		136.4948		
			Waste generated from operations		5.2884		
			Total	671.16	2,794.069		
			(2) Water consumption:				
			Hsinchu factory		2024		2025
			Water consumption (metric tons)		18,166		17,815

Promotion Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons															
	Yes	No	Summary description																
			(3) Waste: Statistical measurement of industrial waste (Hsinchu Factory) Unit: metric tons <table> <tr> <th>Item</th> <th>2024</th> <th>2025</th> </tr> <tr> <td>Household garbage</td> <td>6.00</td> <td>5.90</td> </tr> <tr> <td>Mixture of waste plastic</td> <td>9.24</td> <td>8.79</td> </tr> <tr> <td>Organic sludge</td> <td>58.2</td> <td>73.23</td> </tr> <tr> <td>Wasted container</td> <td>496.46</td> <td>487.74</td> </tr> </table> The main types of industrial waste are sludge, waste plastics, and waste containers. There are no harmful industrial waste, and all industrial waste is entrusted to legal cleaning and transportation companies to be sent to legal treatment plants for disposal. Recycling is the main treatment method, never reducing the negative impact on the environment. In 2025, the total industrial waste output of the factories was 569.76 metric tons, and the industrial waste recycling rate reached 87%. Our action: [Carbon reduction] Improve the production process to maximize energy efficiency and reduce carbon emissions, for the maximum effects of the energies to lower the carbon emission, and include such in management	Item	2024	2025	Household garbage	6.00	5.90	Mixture of waste plastic	9.24	8.79	Organic sludge	58.2	73.23	Wasted container	496.46	487.74	
Item	2024	2025																	
Household garbage	6.00	5.90																	
Mixture of waste plastic	9.24	8.79																	
Organic sludge	58.2	73.23																	
Wasted container	496.46	487.74																	

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			objectives to reduce carbon emissions year by year, for fulfilling the responsibility as a corporate citizen. 2. The temperature of air conditioners in offices is adjusted to 28°C to reduce excessive carbon emissions. Replace old fixed frequency air conditioners and air compressors with variable frequency air conditioners and air compressors to save energy and reduce carbon emissions. 3. Replace old and faulty lighting equipment such as fluorescent lamps to save energy and reduce carbon emissions. 4. Evaluate and plan the installation of rooftop solar panels to contribute to energy conservation and carbon reduction. 5. The solar photovoltaic power generation system project of Maobao Hsinchu Factory will commence on July 12, 2022. The solar photovoltaic power generation system has a capacity of 316.354KWP. As of the end of 2025, the cumulative solar power generation amounted to 1,155,880 kWh. The second phase of the solar power generation system project began on April 2024 and was completed and approved by Taiwan Power Company for grid-connected power generation in November 2024. The installed capacity of the solar power generation system will be 172.2kWp, with total power generation of 260,157 kWh as of the end of 2025. [Waste reduction – Waste categorization] 1. Waste categorization is promoted, and the resource recycling bins are set up to achieve waste reduction. 2. It is promoted to use less disposable tableware, for reducing the volume of domestic waste.	

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			[Industrial waste] 1. Control the industrial waste in the Company pursuant to the management procedures, while categorizing and storing the waste according to the chemical characteristics of each waste, before commissioning qualified vendors to clean the waste. 2. In order to increase the number of waste treatment pipelines and add new waste treatment items, Hsinchu Factory submitted a change application for the industrial waste cleaning plan on April 12, 2022. The Environmental Protection Bureau of Hsinchu County Government has issued a notice for review and approval on July 11, 2022 (Fu-Shu-Huan-Ye Zi No. 1118657145).	
IV. Social Issues (I) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	✓		(I) In order to dedicate efforts to maintaining basic human rights of employees and creating a work environment with adequate human rights protection, the company acknowledges and supports the United Nations Universal Declaration of Human Rights, the United Nations Global Compact, the International Labor Organization Conventions, and other international human rights conventions. Externally, the company also strives to eliminate any infringement and violation of human rights by formulating work rules, attendance management regulations, sexual harassment prevention and handling regulations, and other relevant management policies and procedures. The Company safeguards the legal rights and interests of employees and respects the basic principles of labor human rights, with no incidents of infringement on basic labor rights. The Company's senior management conducts annual promotion of important business ethics	No significant difference.

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			(such as integrity management). Additionally, the management unit conducts annual promotion of human rights policies, as well as sexual harassment prevention and handling regulations, in the hope that members within the Company and external stakeholders can all receive fair and dignified treatment. Therefore, the Company's human rights policy has been established. And on March 22, 2019, the Board established the "Human Rights Policy." On November 25, 2025, an online training course on “Prevention and Communication Training for Workplace Harassment” was held; 30 minutes/85 participants attended.	
(II) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	✓		(II) To attract and retain outstanding talents, and enable employees to share operating results with the Company, the Company provides comprehensive compensations, awards, and benefits to attract and retain talents. It mainly emphasize on the three principles, namely the internal fairness, the external competitiveness, and the performance-based compensation; by combining the operating performance of the Company, the unit, and each individual, while comparing to the compensation level of the job market, a reasonable and competitive compensation system is provided. In accordance with Article 32 of the Company’s Articles of Incorporation, if the Company realizes a profit in a given year, it shall, after offsetting accumulated deficits, allocate no more than 2% as remuneration for directors and supervisors, and between 5% and 8% as remuneration for employees. Of this employee remuneration, at least 1% must be allocated to rank-and-file employees. The employee remuneration may be distributed in cash or shares; the recipients may include employees of controlling or	No significant difference.

Promotion Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons																				
	Yes	No	Summary description																					
			subordinate companies who meet certain conditions established by the Board under the authorization. The Company ties employee compensation—including base salary—to business performance and operating results. In addition to fixed salaries, employees share in the Company’s success through employee bonuses, incentive programs, and related benefits. If the Company realized a profit for the year, it will allocate employee bonuses according to the provisions of its Articles of Incorporation. Allocation will comprehensively consider the Company’s overall business performance, departmental results, and individual contributions to ensure both incentives and pay equity. Human resources is the most valued and important asset of the Company. Based on equality and equal rights, with a safe working environment without concern, it is complimented with well-rounded benefits. <table> <tr> <th rowspan="2">Employee benefit items</th> <th colspan="2">Full-time employee</th> </tr> <tr> <th>Hsinchu factory</th> <th>Office area</th> </tr> <tr> <td>Group casualty insurance; labor and national health insurance</td> <td>V</td> <td>V</td> </tr> <tr> <td>Special leave</td> <td>V</td> <td>V</td> </tr> <tr> <td>Maternity leave and parental leave</td> <td>V</td> <td>V</td> </tr> <tr> <td>Subsidies to wedding and funeral</td> <td>V</td> <td>V</td> </tr> <tr> <td>The retirement system pursuant to laws (labor retirement)</td> <td>V</td> <td>V</td> </tr> </table>	Employee benefit items	Full-time employee		Hsinchu factory	Office area	Group casualty insurance; labor and national health insurance	V	V	Special leave	V	V	Maternity leave and parental leave	V	V	Subsidies to wedding and funeral	V	V	The retirement system pursuant to laws (labor retirement)	V	V	
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Promotion Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons	
	Yes	No	Summary description		
			Bonuses for three major festivals	V	V
			Year-end bonus	V	V
			Regular physical exam	V	V
			The retirement system and its implementation		
			Pension system	Old-system	New-system
			Applicable law source	Labor Standard Act	Labor Pension Act
			Contribution approach	2% of the total of employee's monthly salary is contributed and deposited in the dedicated account at Bank of Taiwan under the name of the Company.	Based on the employee's insurance level, 6% of the salary is contributed to the individual account with the Bureau of Labor Insurance.
			Contributed amount	The accumulated amount of labor retirement reserves is NT\$23,233 thousand.	NT\$4,060 thousand was contributed in 2025.
(III)Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	✓		(III)The company's Hsinchu Factory has an "Occupational Safety and Health Management Committee" to maintain job security, prevent accidents, improve the working environment and maintain the health of employees. So that all departments of the company can operate under the management of safe operations to establish a good working	No significant difference	

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons			
	Yes	No	Summary description				
			environment, Implement the company's occupational safety and health management. The Committee holds a meeting once each quarter. With the joint-discussion among the labor representatives and management for issues related to environmental safety and health, various safety and health work managements are implemented, to prevent occupational accidents, and protect employees' occupational safety and health. There are no workers with high incidence and high risk of occupational diseases in the workplace of this factory. Implementation of the Occupational Safety and Health Committee in 2025 The Company has not yet obtained ISO 45001 or TOSHMS certification. However, the Company continues to comply with the occupational safety and health regulations, and it actively promotes workplace safety management, hazard prevention, and employee health protection measures to foster a safe and healthy work environment. There were 0 work-related accidents and 0 injuries in the year, representing 0% of the total workforce. The Company will continue to implement occupational safety and health education and training, conduct work environment inspections, maintain equipment safety, and implement risk identification and prevention measures. It will also regularly review and improve the relevant management practices to reduce the risk of occupational accidents. <table><tr><td></td><td>Implementation items</td><td>Frequency/Date</td></tr></table>		Implementation items	Frequency/Date	
	Implementation items	Frequency/Date					

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons														
	Yes	No	Summary description															
			<table><tr><td rowspan="2">Implement a comprehensive risk assessment.</td><td>Established a 6S audit system.</td><td>From February 10, 2025, onward (weekly).</td></tr><tr><td>Implemented bi-weekly work safety meetings to conduct safety assessments and drive improvements.</td><td>Starting February 20, 2025, every other week.</td></tr><tr><td>Strengthen the security management system.</td><td>Inventory the locations and quantities of the required safety signs and slogans.</td><td>2025/2/28</td></tr><tr><td>Promote a safety culture.</td><td>Safety education participation across the factory has reached 70 people.</td><td>2025/5/31, 2025/6/30</td></tr><tr><td>Investment in safety equipment</td><td>Replace or maintain work safety protective equipment (fire extinguishers/safety shoes/gloves/helmets, etc.)</td><td>2025/2/28</td></tr></table>	Implement a comprehensive risk assessment.	Established a 6S audit system.	From February 10, 2025, onward (weekly).	Implemented bi-weekly work safety meetings to conduct safety assessments and drive improvements.	Starting February 20, 2025, every other week.	Strengthen the security management system.	Inventory the locations and quantities of the required safety signs and slogans.	2025/2/28	Promote a safety culture.	Safety education participation across the factory has reached 70 people.	2025/5/31, 2025/6/30	Investment in safety equipment	Replace or maintain work safety protective equipment (fire extinguishers/safety shoes/gloves/helmets, etc.)	2025/2/28	
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(IV)Has the Company established effective career development training programs for employees?	✓		(IV)We promise that all employees of Mao Bao receive systematic and professional training, cultivation and guidance. Mao Bao provides appropriate resources so that each employee obtains multiple technologies and knowledge to effectively perform Company’s tasks	No significant difference														

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			as their basis for productivity improvement, while linking the professional guide between the corporate strategies and quality training, cultivation, and development. The Company's training are featured as below: Key courses for 2025 - on-the-job training Other than building a complete marketing channel, Mao Bao also emphasizes the improvement of software (human) marketing expertise. For the top-down inheritance of experience, in addition to strengthening the knowledge inheritance of product marketing, business units hold monthly product marketing sharing meetings, for each salesperson to exchange their daily business development and customer communication skills, and learn to enrich their combat effectiveness as marketing and/or sales personnel through case studies and discussions. e-Learning: go as far as it can be A knowledge management section was established on the Company's internal website. Through the digitized files of internal and external education and training materials, sharing of research and development results, and various aspects of laws and regulations, the knowledge is shared internally. The company has completed the construction of an online education and training management system. In 2025, total 1441 hours were attended for education and training, with an average of 9.7 hours per person. Average training hours for male and female: male: 11.8 hours, female: 7.6 hours.	
(V) Does the company comply with the relevant laws and international	✓		(V) 1. Customer health and safety: In 2025, Mao Bao Company invested NT\$1,410 thousand in research and development.	No significant difference.

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
standards <u>with regards to</u> customer health and safety, customer privacy, and marketing and labeling of products and services, and implement <u>consumer</u> protection and grievance policies?			Responding to growing environmental and health awareness, Maobao Company focused its innovation efforts on technologies to “enhance unit performance and reduce overall resource consumption.” This involved adopting concentrated formulas, high-concentration raw materials, and highly effective antibacterial technology to develop products that balance functional performance with sustainability. In 2025, the Company introduced three new raw materials and launched eight new products for sale through retail stores and online channels. 2. Customer privacy: The Company collects, processes, uses, and protects customer data in compliance with the Personal Data Protection Act. Customer data is used only for specified purposes and as necessary for business operations. The Company has implemented data access controls, confidentiality measures, and security mechanisms to prevent the unauthorized use, disclosure, alteration, or other compromise of personal data. For customer information obtained through business transactions, the Company requires relevant personnel to safeguard and use it in compliance with the applicable laws. We continuously enhance customer privacy and data security through internal management and awareness programs. 3. Consumer complaints: The Company is dedicated to delivering products and services that satisfy and exceed consumer expectations. We continuously optimize our service processes and enhance convenience while also expanding communication channels to actively solicit feedback from all sources. This	

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			feedback is vital to our ongoing efforts to improve product quality and service offerings. When consumers submit inquiries, suggestions, or complaints by telephone, website, social media, or other channels, the Company has established internal procedures to handle, respond to, and improve upon these submissions. The relevant departments will collaborate to review issues as needed to ensure that they are resolved appropriately. 4. Product and service labeling: Mao Bao understands the importance of human beings' role in safeguarding our planet. R&D personnel take the impact on the environment at each stage of the product life cycle into account. We design products based on the principles of environmental protection to reduce the impacts of products on the environment; therefore, in the selection of surfactants, Mao Bao has gradually developed surfactants derived from natural coconut oil or palm oil as the main ingredient, which decompose easily in the natural environment, to replace reliance on traditional petrochemical-derived surfactants. In 2025, the amount of surfactants (SLES 70%) derived from natural coconut oil or palm oil increased by 48.4 tons, demonstrating substantial progress in reducing our dependence on petrochemical ingredients and increasing the proportion of sustainable raw materials used. Before the launch of new products, Mao Bao not only verifies that the products meet the requirements of government regulations, but also commissions third-party impartial institutions to conduct product testing for the claims on the	

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons		
	Yes	No	Summary description			
			product packaging; in 2025, Mao Bao developed 8 new products, all of which were commissioned to third-party impartial institutions for testing, and the external verification ratio of new products was 100%. Each inspection item and its results comply with standards.			
(VI)Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	✓		(VI) Supply chain management: Mao Bao regards each supplier as an important partner. We conduct annual supplier evaluations and prioritize supporting local suppliers for our major raw material sources to establish long-term sustainable partnerships and promote domestic economic development, while aiming to achieve carbon reduction goals. While implementing the sustainable development of the enterprise, Maobao also hopes to cooperate with its source suppliers and require them to adhere to environmental protection, occupational safety and health, or labor rights issues, and move towards sustainable operation. The Company continuously implements the management system for the existing supplier, including hazardous substance management (GP). In 2025, the ROHS 2.0. for the entire supply chain was implemented, and with the GP investigations pursuant to the Hazardous Substance Managerial Procedures. The suppliers sign the declarations or statements to implement the raw materials management under GP, the supplier audits were conducted. Mao Bao's Sustainable Procurement Strategy: <table><tr><td>Topic</td><td>Mid- to long-term plan</td></tr></table>	Topic	Mid- to long-term plan	No significant difference.
Topic	Mid- to long-term plan					

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			Sustainable Product Packaging	Reduce plastic usage by optimizing packaging structure and adopting packaging solutions that utilize recycled materials or lower-plastic alternatives, such as increasing the proportion of recycled plastics and implementing packaging weight reduction programs.
			Eco-friendly products	We are committed to using safe, traceable raw materials and developing highly biodegradable products, and we seek third-party certifications as needed, such as the USDA Biobased Label. Simultaneously, we have reduced volatile substances and environmental impact throughout our production processes and packaging—for example, by adopting low-carbon production methods and using low-chromaticity, water-based inks for exterior packaging.
			Recycling and Waste Reduction	Replace traditional packaging with refill systems to encourage consumer reuse, such as refill pouches and reusable bottles. Alternatively, improve product packaging recyclability to simplify sorting and

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			processing, supporting green circularity and waste reduction. Low-carbon initiatives and green products Initiate product or process carbon footprint assessments, gradually implement carbon information disclosure, obtain carbon reduction labeling, and launch low-carbon green products.	
V. Does the company refer to international reporting standards or guidelines when preparing its <u>sustainability</u> report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?	✓		The financial data in this report is based on the financial annual report materials certified by PwC Taiwan. This report entrusts Reanda M Y Wu & Co., CPAs to perform limited confidence procedures and issue a report on the specific performance indicators disclosed in the report (hereinafter referred to as the "subject matter of confidence") in accordance with the "Non Historical Financial Information Audit or Review of Confidence Criteria" No. 1 issued by the Accounting Research and Development Foundation of the Republic of China.	No significant difference.
VI. If the Company has adopted its own <u>sustainable development</u> best practice principles based on the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations: No material deviation from the Corporate Social Responsibility Best- Practice Principles for TWSE/TPEX Listed Companies. The Company insists on the spirit of "corporate sustainable development," and takes the managerial concept of social responsibility and sustainable management as the highest indicator of operation, complies with the principle of corporate governance, insists the information disclosure and operation transparency, to be committed to strengthening the Company's operating performance to ensure shareholders' interests while maintaining other stakeholders' interests. The Board is responsible for supervising the Company's operation and management, and cooperates with the management team to jointly monitor and pay attention to the latest status of legal restrictions, changes and regulations of relevant securities competent authorities and exchanges, to maintain the good reputation established during the Company's long-time operations.				
VII. Other important information to facilitate better understanding of the company's <u>promotion of sustainable development</u> :				

<u>Promotion</u> Item	<u>Implementation</u> status (Note 1)			Deviations from the <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
Other than focusing on its own business, Mao Bao Inc. also insists on giving back to society. It pays taxes honestly, is active within the community, cares for the disadvantaged, and never falls behind in charity donations; in 2025, the following products were donated, to help long-term care institutions lacking of supplies. In 2025, products worth about NT\$145,000 were donated to help institutions to clean their homes and maintain the environment, thereby improving the quality of the environment. The specific care programs are as follows: 1. Consistently demonstrate a commitment to social welfare. Animal Protection (April 2025): Collaborated with "Pack Helpers - Home for Strays" to donate cleaning supplies to Taiwan’s stray dog shelters. Long-Term Care (May 2025): Supported the Genesis Social Welfare Foundation to assist patients in a vegetative state and older adults experiencing loss of independence, dementia, and disability. Remote Area Service (June and September 2025): In response to the "Sending Affection to Remote Areas" event, assistance was provided to solitary seniors, disadvantaged children, and people with disabilities. Child Welfare (August and September 2025): Continued sponsorship of the Christian Mustard Seed Association to assist disadvantaged families and children who had dropped out of school. 2. Social Responses at Key Moments Disaster Relief (October 2025): Following Typhoon Kogas, cleaning supplies were donated to disaster victims in Guangfuxiang Township, Hualien County to assist with environmental cleanup and the restoration of their lives.				

Note 1: If "Yes" is ticked in the "Implementation status" column, please concretely describe the major policies, strategies, and measures adopted and the status of their implementation. If "No" is ticked in the "Implementation status" column, please explain the reasons and explain the Company's plans for adoption of related policies, strategies, and measures in the future.

Note 2: For the companies that have prepared the CSR reports, the operation may be indicated by specifying to refer the CSR report and the pages.

Note 3: The materiality principle refers to focusing on environmental, social and corporate governance issues likely to have a material impact on the Company's investors and other stakeholders.

Implementation of climate-related information:

Item	Implementation				
1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and the management.	◆ Board of Directors The president is authorized to establish the Sustainability Development Committee and is appointed as the chairperson of the committee. The implementation of the Sustainable Development Committee is reported to the Board for the outcomes every year, to facilitate the Board to supervise the sustainable development and the effectiveness of the implementation. The Company's Board of Directors meets at least once every quarter to review the company's operational performance and discuss important strategic issues, as well as important ESG strategies and key material events, including economic, environmental, and social impacts, risks, and opportunities. ◆ Sustainable Development Committee Under the direct supervision of the president, the Sustainability Development Committee is formed by convening representatives from various departments. The Sustainability Development Committee formulates sustainability policies, takes responsibility for implementing them within the Company, and gradually incorporates the concept of sustainable operations into the Company's corporate culture. The compiled information is reviewed and confirmed by the Committee and reported to the Board of Directors. ◆ Specialized team Under the Sustainability Development Committee, dedicated task forces are formed. The responsible departments collect concerns from stakeholders regarding environmental protection, occupational safety, supply chain management, labor rights, operational performance, and corporate governance, and report them to the supervisors for confirmation.				
2. Describe how the identified climate risks and opportunities affect the company's business, strategy, and finance (short-term, medium-term, long-term).	To further assess the potential financial impacts of climate change risks, the Company's Sustainability Development Committee uses a risk matrix to prioritize the most critical climate-related risk issues, and then conducts the relevant financial assessments and develops response strategies. Its purpose is to ensure the continuation of operations without interruption, so that the enterprise can continue to operate. The Company evaluates the first four risks and one opportunity in total, and speculates their possible financial impact, which is described as follows: <table border="1" data-bbox="589 1257 1856 1369"> <tr> <td data-bbox="589 1257 1059 1297">Climate change risks</td><td data-bbox="1059 1257 1856 1297">Climate change opportunities</td></tr> <tr> <td data-bbox="589 1297 1059 1369">Increase pricing of greenhouse gas emissions</td><td data-bbox="1059 1297 1856 1369">Reduction of water usage and consumption</td></tr> </table>	Climate change risks	Climate change opportunities	Increase pricing of greenhouse gas emissions	Reduction of water usage and consumption
Climate change risks	Climate change opportunities				
Increase pricing of greenhouse gas emissions	Reduction of water usage and consumption				

Item	Implementation			
	Replacing existing products and services with low-carbon products			
	Rising raw material costs			
	Changes in rainfall (water) patterns and extreme changes in climate patterns			
	(1) The four risks are summarized as follows:			
	Type	Climate risk	Potential financial impact	Responding measures
	Short-term 1-3 years	Changes in rainfall (water) patterns and extreme changes in climate patterns	Climate-related disasters, such as damage to raw material and product transportation, IT mainframes, or production equipment, result in operational disruption and increased operating costs.	1. The transportation of raw materials and products is carried out in a single shipment, to reduce the number of transportation trips, to achieve carbon reduction and ensure transportation safety. 2. Information and equipment, strengthening the emergency power supply and backup mechanism. Protective measures are taken in advance whenever a heavy rain warning is issued. 3. Regularly implement drainage and maintenance of the drainage system to avoid blockage and flooding.
		Rising raw material costs	The cost of raw materials for commodities has increased due to climate change, which in turn has an impact on business operations.	Based on the control industry sources of raw materials.

Item	Implementation			
	Mid-to-long term 3-10 years	Increase pricing of greenhouse gas emissions	The general temperature rise caused by climate change, and the EU carbon tax period effectively curbs excessive greenhouse gas emissions, which increases the Company's operating costs.	1. Introduce greenhouse gas emission inventory and set reduction targets. 2. Development of low-carbon products.
		Replacing existing products and services with low-carbon products	Product development costs increase.	Development or expansion of energy-saving products and services.
	(2) One opportunity is summarized as follows:			
	Term	Opportunity	Impacts	Responding measures
	Short-term 1-3 years	Reduction of water usage and consumption	Water resources are a critical resource indispensable to the company's manufacturing processes. Water restrictions and water shortages that reduce water usage and consumption will impact the company's operations and lead to increased operating costs.	1. Optimize the process water recycling system to increase the efficiency of process water recycling. 2. Rainwater is recycled for cleaning. 3. Maintain the operation of the reserve pool for emergency use.
3. Describe the financial impact of extreme climate events and transformation actions.	For transition risks, the disclosure of carbon emission information as required by laws and regulations and the achievement of carbon neutrality are the same as the risk and response measures described in the above item 2. The Greenhouse Gas Reduction and Management Act has been amended to the Climate Change Response Act, and it is planned that carbon fees will be levied on products with high direct or indirect emissions in 2029. The potential impact on finances is an increase in operating costs, but the overall impact on operations is not expected to be significant. In response, the Company has introduced greenhouse gas inventory and product carbon footprint inventory in 2022, and set future carbon reduction targets. Regarding transition risks, the measures taken by the Company to address them have increased transition costs and lowered gross profit margins. Although overall revenue has declined, the impact on operations is not significant.			
4. Describe how climate risk identification, assessment, and management processes are	The company's Sustainable Development Committee conducted discussions during the "TCFD Climate-Related Financial Disclosures Discussion Meeting." Through this meeting, relevant members were convened to discuss and identify climate-related risks and opportunities. The discussions were guided by the TCFD's recommended			

Item	Implementation			
integrated into the overall risk management system.	framework, addressing transition risks (policy and legal, technology, market, reputation), physical risks (acute risks, chronic risks), and opportunities (resource efficiency, energy sources, products/services, markets, resilience). Climate Change Risk and Opportunity Assessment Process			
	Process stage	Implementation details	Implementing Unit	Evaluation frequency
	Risk and opportunity identification and assessment.	Analyze potential risks and opportunities using internal questionnaires and the TCFD disclosure framework to understand the impact of climate change on operations and finances.	Sustainable Development Committee	Once per year
	Issuance and return of the TCFD questionnaire	By distributing a quantitative questionnaire, we identified climate-related risks and opportunities.		
	Analyze climate-related impacts	Perform financial disclosures corresponding to the TCFD recommendations and scenario analysis tools.		
	Adaptive responses	Developing responses to identified risks and opportunities, tracking implementation, and ultimately reporting risk management status to the Board of Directors.		

Item	Implementation
5. If scenario analysis is used to assess resilience in the face of climate change risks, describe the scenarios, parameters, assumptions, analysis factors, and key financial impacts used.	The Company will begin disclosure in 2029 in accordance with the FSC's schedule.
6. If there is a transformation plan in response to the management of climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transformation risks.	The Company uses the ESG Committee to assess the potential risks of climate change to the Company every year, identify risk sources, risk analysis, risk assessment and risk treatment, and continue to improve and reduce the impact on the Company. The construction of solar power generation equipment at Hsinchu Plant was completed in 2022, and the construction of the second phase of solar power generation equipment began in 2024. 2024 Targets 1. Solar power generation increased by 372,400 KWH 2. The CO2 reduction of solar power generation increased by 183.97 metric tons (Short-term) 2025 target 1. Solar power generation increased by 633,557 KWH 2. The CO2 reduction of solar power generation increased by 268.63 metric tons (Mid- and long-term) 2030 goals 1. Solar power generation increased by 587,151 KWH 2. The CO2 reduction of solar power generation increased by 278.31 metric tons
7. If the internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.	The Company will begin disclosure in 2029 in accordance with the FSC's schedule.
8. If climate-related targets have been set, information should be provided on the activities covered, the scope of greenhouse gas emissions, the	The first phase of the solar PV power generation system project at the Mao Bao's Hsinchu Plant began on July 12, 2022, with a total investment of \$13,282,500 (tax included). The installed capacity of the system was 316.354 kWp, and following its completion, Taipower approved its connection to the grid for power generation on November 16, 2022. At the end of 2023, the second phase of the solar PV power generation system project at the Hsinchu Plant was initiated with a total investment of \$7,187,250 (tax included) and an installed capacity of 172.2 kWp. The

Item	Implementation				
planning period, and the annual progress made towards achieving the targets. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve the relevant targets, the source and amount of the offset reduction or the number of Renewable Energy Certificates (RECs) should be stated.	second phase of the project commenced in April 2024 and was completed on October 9, 2024, after which Taipower approved its connection to the grid for power generation. Solar power generation results are as follows:				
		2022	2023	2024	2025
	Solar power generation	31,680 degrees	378,400 degrees	372,400 degrees	633,557 degrees
	Carbon reduction amount	15.68 metric tons	187.31 metric tons	183.97 metric tons	268.63 metric tons
	MES is a green raw material, and its high biodegradability reduces impacts of products on the environment and the generation of carbon dioxide. Since the successful introduction in 2014, some series has adopted MES increasing year by year, so that the consumption ratio of sulfonic acid has been decreased year by year. In the future, it is planned to gradually use MES green raw material as the replacement. Carbon emissions are estimated to decrease by 0.05%–0.1% annually through carbon reduction management projects, such as the introduction of green raw materials, expanded solar power generation, and packaging reduction initiatives, with adjustments made each year.				
9. Greenhouse gas inventory and assurance status, as well as reduction targets, strategies and concrete action plans.	Information from self-assessments is also included in the annual report under Sustainable Development Implementation and Environmental Issues (IV). The 2028 annual report will disclose the parent company's individual greenhouse gas inventory data and assurance results for 2027. For detailed strategies and goals, please refer to the 2025 Sustainability Report on Greenhouse Gas Management chapter.				

6. Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons:

Evaluation item	Implementation status (Note)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
I. Establishment of ethical corporate management policies and programs (I) Does the company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team? (II) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?	✓	✓	(I) The Company has the “Guidelines for Ethical Management” in place, approved by the Board and submitted to the shareholders’ meeting for report, as well as disclosed at the MOPS. The Board of Directors and management fully understand, implement, and regularly report the previous year's execution status to the board of directors in the second quarter of each year. It is expected to report to the board of directors on the implementation status for the year 2025 on May 13, 2026. (II) The Company has established an assessment mechanism for the risk of unethical conduct and regularly analyzes and evaluates business activities with higher risks of unethical conducts within the business scope to formulate prevention programs accordingly, and regularly reviews the appropriateness and effectiveness of the prevention programs. The Company's prevention programs should at least cover the following preventive measures: I. Offering and accepting bribes. II. Providing illegal political donations. III. Improper charitable donations or	No significant difference.

Evaluation item	Implementation status (Note)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
(III) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	✓		sponsorships. IV. Offering or accepting unreasonable gifts, entertainment or other improper benefits. V. Infringement of trade secrets, trademark rights, patent rights, copyrights and other intellectual property rights. VI. Engaging in conducts of unfair competition. VII. Products and services directly or indirectly damaging the rights, health and safety of consumers or other stakeholders during research and development, procurement, manufacture, provision or sale. (III) The Company has established a specific whistleblowing system and implements accordingly. It should at least cover the following matters: 1. Establish and announce an internal independent whistleblowing mailbox and hotline for the internal and external personnel of the Company to use. II. Appoint the dedicated personnel or unit to accept whistleblowing. Where the whistleblowing involves directors or senior management, the Audit Committee should be reported to, while determining the categories of whistleblowing and the standard operating procedures of investigations. III. After the investigation of the whistleblowing is completed, the follow-up measures should be taken depending the severity of the case. If necessary, it	

Evaluation item	Implementation status (Note)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			should be reported to the competent authority or transferred to the law enforcement for investigation. IV. Prepare and retain the records of the acceptance, investigation process, investigation results, and related document for the whistleblowing. V. The identity of the whistleblower and the content of the whistleblowing shall be kept confidential, and an anonymous whistleblowing shall be permitted. VI. Measures to protect the whistleblower from being improperly treated with due to the whistleblowing. VII. Incentive measures for whistleblowers. The Company's dedicated unit for accepting whistleblowing shall report to the Audit Committee in writing if there is a material violation or any concern of material violation, and review and amend the said programs regularly.	
II. Ethical Management Practice (I) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	✓		(I) The Company conducts business activities in a fair and transparent manner. Before doing business with key partners, the credit assessment is conducted, and specify the rights and obligations in the contract. The legality of customers for business transaction and their records of any unethical conducts are checked, while avoiding transactions with those who have a record of unethical conduct.	No significant difference.

Evaluation item	Implementation status (Note)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
(II) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	✓		(II) The Company's dedicated unit to promote ethical corporate management is the Corporate Governance Team, which regularly reports the supervision status to the Board in the second quarter of every year. It is expected to report to the board of directors on the implementation status for the year 2025 on May 13, 2026.	
(III) Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	✓		(III) The Company has established the rules of recusal and explanation of conflicts of interest for directors and managers in the "Code of Ethical Conduct." Matters that have not been appealed or reported in 2025	
(IV) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?	✓		(IV) The Company has established internal audit plans to regularly inspect the accounting system and internal control system, and the internal auditors prepare audit reports to be submitted to the Board.	
(V) Does the company provide internal and external ethical corporate management training programs on a regular basis?	✓		(V) The Company regularly promotes the concept and regulations of ethical management to employees through education and training. In 2025, the Company organized two promotional courses: an online educational training course on "Insider Trading" (30 minutes/31 total participations) and an online educational training course on "Corporate Social Responsibility and Ethical	

Evaluation item	Implementation status (Note)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			Integrity" (30 minutes/51 total participations), to strengthen employees' and directors' understanding of the Company's integrity management policies and senior management's commitment to actively implementing these business policies.	
III. Implementation of Complaint Procedures (I) Has the company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistle-blowers? (II) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner? (III) Has the company adopted proper measures to protect whistle-blowers from retaliation for filing complaints?	✓ ✓ ✓		(I) The Company has set up employee mailboxes; alternatively, the complaint may be filed to various officers or staff of the HR Section. External persons may also contact the Company spokesperson through the official website or telephone. (II) The Company specifies the relevant descriptions and rules for accepting whistleblowing in the "Ethical Corporate Management Best Practice Principles." (III) The Company is responsible for keeping confidential for the whistleblower and ensuring that they are not subject to any improper treatment.	No significant difference.
IV. Strengthening Information Disclosure Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	✓		The Company has disclosed the "Ethical Corporate Management Best Practice Principles" and its promotion at the MOPS and the annual report.	No significant difference.

Evaluation item	Implementation status (Note)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
V. If the company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviations between the principles and their implementation: The Company has established "Integrity Management Principles" which have been implemented. There are no differences between operations and the established principles. Details are available in the Integrity Management section under Corporate Governance on the company website.				
VI. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies (e.g., the company's reviewing and amending of its ethical corporate management best practice principles): The Company has established the "Ethical Corporate Management Best Practice Principles" on March 26, 2015, and the Board approved the "Procedures to Handle the Whistleblowing of the Illegal, Immoral, or Unethical Conducts," on March 22, 2019 while enhancing the corporate governance.				

Note: Regardless of whether "Yes" or "No" is ticked regarding the implementation status, an explanation should still be provided in the explanation column for each item.

7. Corporate governance best-practice principles or related bylaws adopted by the Company: the Company has established the "Ethical Corporate Management Best Practice Principles," "Corporate Social Responsibility Best Practice Principles," "Code of Conduct," "Rules of Procedure for Board of Directors Meetings," "Procedures for Election of Directors and Supervisors," "Remuneration Committee Charter," "Operating Procedures for Acquisition and Disposal of Assets," "Operating Procedures for Loaning of Funds," and "Operating Procedures for Endorsement and Guarantee," and disclosed such on the official website under "Corporate Governance" → "Internal Regulations.
8. Other significant information that may enhance understanding of the Company's corporate governance operations: On March 24, 2020, the Company's designated unit reported to the Board of Directors on the status of corporate governance operations, corporate social responsibility, and ethical management. Such information is disclosed annually on the Company's official website under "Corporate Governance" → "Ethical Management."

9. Implementation of the company's internal control system:

(1) Statement of Internal Control



Mao Bao Inc.

Statement of Internal Control System

Date: March 12, 2026

The Company's internal control system for 2025 as per the results of our self-assessment is hereby declared as follows:

- I. The Company is clearly aware that the establishment, implementation, and maintenance of an internal control system are the responsibility of the Company's Board of Directors and managers, and the Company has established such a system. It aims to provide reasonable assurance for the achievement of the objectives, namely the effectiveness and efficiency of operations (including profitability, performance, and asset security protection), the reliability, timeliness, and transparency of financial reporting, and compliance with applicable laws and regulations.
- II. Some limitations are inherent in all internal control systems. No matter how perfect the design is, an effective internal control system can only provide reasonable assurance regarding the achievement of the above three intended objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. However, the Company's internal control system is equipped with a self-monitoring mechanism. Once a defect is identified, the Company will take action to rectify it.
- III. The Company judges whether the design and implementation of the internal control system are effective based on the criteria for judging the effectiveness of the internal control system set out in the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations"). Said criteria under the Regulations are divided into five constituent elements as per the management and control process: 1. control environment, 2. risk assessment, 3. control activities, 4. information and communication, and 5. monitoring activities. Each constituent element includes several items. For said items, please refer to the Regulations.
- IV. The Company has adopted the aforesaid judgment criteria for the internal control system to determine whether the design and implementation of the internal control system are effective.
- V. Based on the results of the previous inspection, our company believes that the design and implementation of our internal control system (including supervision and management of subsidiaries) as of December 31, 2025, including the extent to which we are aware of the effectiveness and efficiency of our operations, the reliability, timeliness, transparency of our reporting, and compliance with relevant regulations and laws, are effective, and can reasonably ensure the achievement of the above goals.
- VI. This statement will form the main content of the Company's annual report and prospectus and will be made public. If the disclosed content above is false or there is material information concealed deliberately or otherwise, the Company will be legally liable pursuant to Articles 20, 32, 171, and 174 of the Securities and Exchange Act.

VII. This statement has been approved by the Company's Board of Directors on March 12, 2026. Among the 9 directors present, none of them expressed objections. All the others agreed with the content of this statement. Therefore, this statement is hereby declared.

Mao Bao Inc.

Chairman: Wu, Jui-Hua Signature/seal

President: Chen, Yi-Hung Signature/seal

(2) Where a CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report: nor applicable.

10. Material resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

(I) Material resolutions of a shareholders meeting and implementation thereof (June 12, 2025):

1. Material resolutions of a shareholders meeting and implementation thereof:

Meeting date	Cause	Key resolution	Implementation										
2025.06.12	Ratifications: 1. 2024 business report and financial statements.	The proposal was inquired by the chair to all attending shareholders, and approved as proposed without dissent. The voting result is as follows:	1. The relevant forms and records have been filed with the competent authority for reference and declared in accordance with relevant laws and regulations such as the Company Law.										
		<table><tr><th>Voting result</th><th>% to the voting rights of the attended shareholders</th></tr><tr><td>Favorable votes: 22,064,431 rights</td><td>99.68%</td></tr><tr><td>Against votes: 12,819 rights</td><td>0.05%</td></tr><tr><td>Number of invalid rights: 0 right</td><td>0.00%</td></tr><tr><td>Number of abstained / non-voted rights: 56,689 rights</td><td>0.25%</td></tr></table>		Voting result	% to the voting rights of the attended shareholders	Favorable votes: 22,064,431 rights	99.68%	Against votes: 12,819 rights	0.05%	Number of invalid rights: 0 right	0.00%	Number of abstained / non-voted rights: 56,689 rights	0.25%
		Voting result		% to the voting rights of the attended shareholders									
		Favorable votes: 22,064,431 rights		99.68%									
		Against votes: 12,819 rights		0.05%									
		Number of invalid rights: 0 right		0.00%									
	Number of abstained / non-voted rights: 56,689 rights	0.25%											
	2. 2024 Earning distribution.	The proposal was inquired by the chair to all attending shareholders, and approved as proposed without dissent. The voting result is as follows:	2. Resolved, approved, and implemented in accordance with the resolution adopted by the shareholders’ meeting.										
<table><tr><th>Voting result</th><th>% to the voting rights of the attended shareholders</th></tr><tr><td>Favorable votes: 22,057,990 rights</td><td>99.65%</td></tr><tr><td>Against votes: 19,223 rights</td><td>0.08%</td></tr><tr><td>Number of invalid rights: 0 right</td><td>0.00%</td></tr></table>		Voting result		% to the voting rights of the attended shareholders	Favorable votes: 22,057,990 rights	99.65%	Against votes: 19,223 rights	0.08%	Number of invalid rights: 0 right	0.00%			
Voting result		% to the voting rights of the attended shareholders											
Favorable votes: 22,057,990 rights		99.65%											
Against votes: 19,223 rights		0.08%											
Number of invalid rights: 0 right		0.00%											

	Discussions: 1. Proposal of amendments to the Company’s “Articles of Incorporation.”	Number of abstained / non-voted rights: 56,726 rights	0.25%	1. Approved for registration by the Ministry of Economic Affairs on July 11, 2025 and disclosed on our company's website.
		The proposal was inquired by the chair to all attending shareholders, and approved as proposed without dissent. The voting result is as follows:		
		Voting result	% to the voting rights of the attended shareholders	
		Favorable votes: 22,058,189 rights	99.65%	
		Against votes: 17,018 rights	0.07%	
		Number of invalid rights: 0 right	0.00%	
		Number of abstained / non-voted rights: 58,732 rights	0.26%	
		The proposal was inquired by the chair to all attending shareholders, and approved as proposed without dissent. The voting result is as follows:		
		Voting result	% to the voting rights of the attended shareholders	
		Favorable votes: 22,057,191 rights	99.65%	
2. Proposal of amendments to the Company’s “Procedures for Election of Directors.”		Against votes: 18,030 rights	0.08%	2. Resolved, approved, and implemented in accordance with the resolution adopted by the shareholders’ meeting.
		Number of invalid rights: 0 right	0.07%	
		Number of abstained / non-voted rights: 58,718 rights	0.26%	

2. Material resolutions of a special shareholders meeting and implementation thereof: none.

(II) Material resolutions of the board:

Meeting date	Cause	Key resolution
2025.03.12	2024 business report and financial statements. 2024 Earning distribution. - Proposal of distribution method for the 2024 employee and director remunerations. 2025 Business Plan - Proposal of evaluating the independence and competence of the attesting CPAs. - Proposal of 2024 “Statement of Internal Control System.” - Defined the scope of the Company’s “frontline employees.” - Proposal of amendments to the Company’s “Articles of Incorporation.” - Proposal to establish the “Procedures for Preparation of Sustainability Report” of the Company. - Proposal to convent the 2025 regular shareholders’ meeting. - Proposal to accept the proposals from shareholders with 1% or more shareholding. - Discussion of the proposal of the Remuneration Committee’s deliberation on the compensation for directors (including independent directors) to commute and conduct business. - Discussion of the proposal of the Remuneration Committee’s deliberation for the structure of monthly salary and paid amount for the chairman. - Discussion of the proposal of the Remuneration Committee’s deliberation for the structure of monthly salary and paid amount for the managerial officers. - Proposal to increase the fund-loaning limit of the subsidiary of the Company (MAOBAO VIETNAM INC.) by USD 500 thousand and USD 200 thousand.	All attended directors approved without dissent, and the proposal was submitted to the regular shareholders’ meeting for resolution The proposal was inquired by the chair to all attended directors, and approved as proposed without dissent.
2025.05.12	- Proposal of Q1 2025 financial statements. - Proposal to establish an internal control system for the “Sustainability Information Management Procedures” of the Company. - Amendments to the Company’s “Property, Plant, and Equipment Management Regulations.” - Amendments to the Company’s Seal Management Regulations.	The proposal was inquired by the chair to all attended directors, and approved as proposed without dissent.

Meeting date	Cause	Key resolution
	5. Amendments to the Company’s Contract Management Regulations. 6. Amendments to the Company’s “Loan Management Guidelines.” 7. Proposal to increase the fund-loaning limit of the subsidiary of the Company (PACIFIC WORLDWIDE HOLDINGS LTD.) by USD 0.3 million.	
2025.08.13	1. Proposal of Q2 2025 financial statements. 2. The compensation committee of our company reviews the 2024 remuneration distribution plan for our managers. 3. The Remuneration Committee of our company will review the remuneration distribution plan for directors in 2024. 4. Proposal to determine the base date of dividend distribution for cash dividends, distribution date, and related matters. 5. Proposal to increase the fund-loaning limit of the subsidiary of the Company (MAOBAO VIETNAM INC.) by USD 0.7 million. 6. The Company’s subsidiary (PACIFIC WORLDWIDE HOLDINGS LTD.) proposed a funding loan to its sub-subsidiary (PACIFIC TRADING GROUP CO., LTD.) with a limit of USD 300,000. 7. 2024 Sustainability Report 8. Proposal amendments to the Company’s "Procedures for Preparation of Sustainability Report".	The proposal was inquired by the chair to all attended directors, and approved as proposed without dissent.
2025.11.12	1. Proposal of Q3 2025 financial statements. 2. Proposal for Mao Bao (Shanghai) Trading Ltd. earnings distribution in accordance with the law. 3. 2026 Audit plan. 4. Amendments to the Company’s internal controls for salary cycles. 5. Amendments to the internal controls of the Company’s “Sustainable Development Best Practice Principles.” 6. Discussion of the proposal of the Remuneration Committee’s deliberation for the 2025 performance and the remuneration amount for the directors. 7. Discussion of the proposal of the Remuneration Committee’s deliberation for the 2025 performance and the remuneration amount for the directors.	The proposal was inquired by the chair to all attended directors, and approved as proposed without dissent.

Meeting date	Cause	Key resolution
	8. Discussion of the proposal of the Remuneration Committee's deliberation for the 2025 performance and the remuneration amount for the managerial officers. 9. Discussion of the proposal of the Remuneration Committee's deliberation for the 2026 annual working plan. 10. Proposal to increase the fund-loaning limit of the subsidiary of the Company (MAOBAO VIETNAM INC.) by USD 0.6 million.	

11. Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof: None.

IV. Information on the professional fees of the CPAs:

Unit: NT\$ thousand

Name of accounting firm	Names of CPAs	Audit period	Audit fees	Non-audit fees	Total	Remarks
PwC Taiwan	Juanlu, Man-Yu	2025	2,050	0	2,050	
	Feng, Ming-Chuan	2025				

- (I) Non-audit fee paid to the CPAs, the accounting firm to which the CPAs belong, and the its affiliates is more than one-fourth of the audit fee: None.
- (II) Accounting firm was changed and the audit fees paid for the fiscal year in which such change took place were lower than those for the previous fiscal year: None.
- (III) Audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 15 percent or more: None.

V. Information on replacement of certified public accountant: None

Description of the Company's evaluation for the independence and competence of the CPA engaged:

Pursuant to Article 29 of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies," the Company evaluates the independence and competence of the CPA engaged at least once per year. Accordingly, by referring the Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China No.10 "Integrity, Objectivity and Independence," the Company has established the evaluation items (as the table below), the accounting unit of the Company reviews the independence and competence of the CPAs engaged by the Company, and requests the CPAs to present the independence declaration, to be submitted to the Board for approval and engages the CPAs.

- (I) Evaluation content:

Established by referring Article 47 of Certified Public Accountant Act and Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China No.10:

Item	Results
1. As of the latest attestation, the CPAs have not been changed for fewer than seven years.	☒ Yes ☐ No
2. There is no material financial interests with the client.	☒ Yes ☐ No
3. Avoid any inappropriate relationship with the client.	☒ Yes ☐ No
4. The CPAs should ensure the honesty, impartiality and independence of their assistants.	☒ Yes ☐ No
5. The financial statements of the organization to which they served within the two years prior to their practices shall not be audited and attested by them.	☒ Yes ☐ No
6. Must not offer their names as CPAs to be used by others.	☒ Yes ☐ No
7. Not holding shares in the Company or affiliates.	☒ Yes ☐ No

Item	Results
8. No money loaned from or to the Company or affiliates.	☒ Yes ☐ No
9. No joint investment or profit-sharing relationship with the Company or affiliates.	☒ Yes ☐ No
10. Not concurrently working for the Company or affiliates regularly, and receiving regular compensations.	☒ Yes ☐ No
11. Not involving the management functions of the Company or affiliates that make decisions.	☒ Yes ☐ No
12. Not concurrently operating other businesses that may lose their independence.	☒ Yes ☐ No
13. Not related to the Company's management as a spouse, a lineal relative by blood, a lineal relative by marriage, or a relative within the second-degree kinship.	☒ Yes ☐ No
14. Not receiving any commission related to the business they are in charge of.	☒ Yes ☐ No
15. As of now, they have not been punished, nor damaged the principle of independence.	☒ Yes ☐ No
16. Does the accountant have a direct or significant indirect financial interest in the company	☐ Yes ☒ No
17. Does the accountant engage in financing or guarantee activities with the company or its directors	☐ Yes ☒ No
18. Does the accountant have a close business relationship and potential employment relationship with the company	☐ Yes ☒ No
19. Have the accountants and their audit team members currently or in the past two years held any positions as directors, managers, or those that have a significant impact on the audit work in our company	☐ Yes ☒ No
20. Does the accountant provide non audit services to the company that may directly affect the audit work	☐ Yes ☒ No
21. Does the accountant represent the stocks or other securities issued by the company	☐ Yes ☒ No
22. Does the accountant serve as a defense for the company or coordinate conflicts with other third parties on behalf of the company	☐ Yes ☒ No
23. Does the accountant have a family relationship with a director, manager, or person who has a significant impact on the audit case of the company	☐ Yes ☒ No

(II) Performance and plans:

I. Completed the audits of the Company's financial statement for each period as scheduled.
II. Completed the financial audits of each period for overseas reinvestment as scheduled.
III. Provided the Company's financial and tax consulting services from time to time.

(III) Evaluation results:

The CPAs, Ruan-Lu, Man-Yu and Feng, Ming-Chuan are independent from the Company, and deemed timely and adequate for providing the finance and taxation consultancy and attestation to the Company.
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VI. Chairperson, president, or any managerial officer in charge of finance or accounting matters, in the most recent year, holding a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm:
None

VII. Any transfer of equity interests and/or pledge of or change in equity interests (during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report) by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None

1. Changes in Shareholding of Directors, Supervisors, Managerial Officers, and Major Shareholders

Unit: Share

Job title	Name	2025		Current year up to April 13	
		Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)	Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)
Chairman	Ling-Yu Investment Co., Ltd. Representative: Wu, Jui-Hua	0	0	0	0
Director	Ling-Yu Investment Co., Ltd. Representative: He, Yi-Ru				
Director	Wu, Chao-Wen	0	0	0	0
Director	Pacific Worldwide Investment Co., Ltd. Representative: Wu, Hsien-Tai				
Director	Pacific Worldwide Investment Co., Ltd. Representative: Wu, Chiao-Jen	0	0	0	0
Shareholders with 10% shareholding or more	Pacific Worldwide Investment Co., Ltd.				
Independent director	Su, Liang	0	0	0	0
Independent director	Huang, Chien-Cheng	0	0	0	0
Independent director	Chen, Wei-Zhi	0	0	0	0
Independent director	Lin, Chung-Chang	0	0	0	0
President	Chen, Yi-Hung	0	0	0	0
CEO	Wu, Rui-Hua	31,000	0	0	0
Chief, Division of International Business	Liu, Wen-Wei	0	0	0	0

Job title	Name	2025		Current year up to April 13	
		Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)	Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)
Chief of Hsinchu Plant	Wang Chun-Fu (date of appointment: May 2, 2025)	0	0	0	0
Chief, Division of Daily Necessities Business	Yu Shu-Hui (date of appointment: May 2, 2025)	0	0	0	0
Chief, Division of Market Development	Chao Yu-Lan (date of appointment: August 1, 2025)	0	0	0	0
Head of Finance Department and Head of Corporate Governance	Chao, Jia-Ling	0	0	0	0
Head of accounting department	Chen, Hsuan-Ju	0	0	0	0
Shareholders with 10% shareholding or more	Wu, Hsien-Tai	(282,000)	0	(100,000)	0
Chief of Hsinchu Plant	Lin, Jin-Long (Date of termination: April 30, 2025)	0	0	0	0

(Note): Any shareholder holding more than 10 percent of the Company's total share capital shall be noted as a major shareholder, and such shareholders shall be listed individually.

2. Information on Transfers of Shareholding

Name	Reason for transfer	Date of transaction	Counterparty	Relationship between the counterparty and the Company, directors, supervisors, managerial officers, and major shareholder with 10% or more shareholding	No. of shares	Transaction price
Wu, Rui-Hua	Received as a gift	2025.05.21	Lin, Ai-Yu	Mother and daughter	31,000	25.15
Wu, Hsien-Tai	Gift	2025.05.21	Lin, Ai-Yu	Husband and wife	222,000	25.15
Wu, Hsien-Tai	Gift	2025.10.23	Liu, Chien-Yu	Grandparents and grandchildren	24,000	28.40
Wu, Hsien-Tai	Gift	2025.11.28	Liu, Chien-Yu	Grandparents and grandchildren	36,000	28.75
Wu, Hsien-Tai	Gift	2026.03.06	Liu, Chien-Yu	Grandparents and grandchildren	100,000	27.60

3. Information on Pledges of Shareholding: None

VIII. Relationship information, if among the company's 10 largest shareholders any one is a related party or a relative within the second degree of kinship of another:

Unit: shares April 14, 2026

Name	Shareholding		Shares held by spouse or minor children		Total shareholding by nominee arrangements		Specify the name of the entity or person and their relationship to any of the other top 10 shareholders with which the person is a related party or has a relationship of spouse or relative within the 2nd degree.		Remarks
	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	Title (or name)	Relationship	
Pacific Worldwide Investment Co., Ltd.	6,790,856	16.00%	—	—	—	—	—	—	
Ling-Yu Investment Co., Ltd.	6,450,000	15.20%	—	—	—	—	—	—	
Wu, Hsien-Tai	3,574,459	8.42%	1,873,809	4.41%	6,450,000	15.20%	Lin, Ai-Yu	Spouse	
							Wu, Chao-Wen	Father and daughter	
Lin, Ai-Yu	1,873,809	4.41%	3,574,459	8.42%	—	—	Wu, Hsien-Tai	Spouse	
							Wu, Chao-Wen	Mother and daughter	
Wu, Chao-Wen	965,069	2.27%	200,000	0.47%	—	—	Wu, Hsien-Tai	Father and daughter	
							Lin, Ai-Yu	Mother and daughter	

Name	Shareholding		Shares held by spouse or minor children		Total shareholding by nominee arrangements		Specify the name of the entity or person and their relationship to any of the other top 10 shareholders with which the person is a related party or has a relationship of spouse or relative within the 2nd degree.		Remarks
	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	Title (or name)	Relationship	
Wu, Rui-Hua	365,613	0.86%	200,000	0.47%	—	—	Lin, Ai-Yu	Mother and daughter	
Citibank as custodian of Berkeley Capital SBL/PB investment account	351,000	0.83%	—	—	—	—	—	—	
Standard Chartered acts as custodian for Mizuho Securities Co., Ltd.	267,000	0.63%	—	—	—	—	—	—	
Luo Yu-chao	204,000	0.48%	—	—	—	—	—	—	
Wu, Chiao-Jen	200,998	0.47%	—	—	—	—	—	—	

IX. The total number of shares and total equity stake held in any single enterprise by the company, its directors and supervisors, managerial officers, and any companies controlled either directly or indirectly by the company:

Unit: thousand shares; % March 31, 2026

Investee enterprise (Note)	Investment by the Company		Investment by the Directors, Supervisors, Managerial Officers and Directly or Indirectly Controlled Entities of the Company		Total investment	
	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio
Pacific Worldwide Holdings Ltd..	5,000	100%	—	—	5,000	100%
Mao Bao Vietnam Inc..	3,000	100%	—	—	3,000	100%
Pacific Trading Group Co.,Ltd	300	100%	—	—	300	100%
Mao Bao (Shanghai) Trading Ltd.	150	100%	—	—	150	100%

Note: Investment adopting the equity method

Three. Information on capital raising activities

I. Capital and shares

(I) Source of share capital

1. Formation of share capital

Unit: NT\$; share

Month/year	Issued price	Authorized capital		Paid-in capital		Remarks		
		No. of shares	Amount	No. of shares	Amount	Sources of capital	Capital paid in by assets other than cash	Other
1978.12	1,000	2,000	2,000,000	2,000	2,000,000	Incorporation (cash)	None	None
1986.12	1,000	10,000	10,000,000	10,000	10,000,000	Cash capital increase by NT\$8,000,000	None	None
1991.01	10	3,800,000	38,000,000	3,800,000	38,000,000	Cash capital increase by NT\$28,000,000	None	None
1993.1	10	6,300,000	63,000,000	6,300,000	63,000,000	Cash capital increase by NT\$25,000,000	None	None
1997.12	10	19,840,212	198,402,120	19,840,212	198,402,120	Cash capital increase by NT\$47,250,000 Capital increase from surplus by NT\$54,810,000 Capital increase from reserve by NT\$33,342,120	None	None
1998.09	10	65,000,000	650,000,000	31,328,228	313,282,280	Cash capital increase (Note 1) by NT\$100,000,000 Capital increase from surplus (Note 1) by NT\$14,880,160	None	None
1999.05	10	65,000,000	650,000,000	34,461,052	344,610,520	Capital increase from surplus (Note 2) by NT\$25,062,590 Capital increase from reserve (Note 2) by NT\$6,265,650	None	None
2000.08	10	65,000,000	650,000,000	39,630,211	396,302,110	Capital increase from surplus (Note 3) by NT\$44,799,370 Capital increase from reserve (Note 3) by NT\$6,892,220	None	None
2001.07	10	65,000,000	650,000,000	41,611,722	416,117,220	Capital increase from reserve (Note 4) by NT\$19,815,110	None	None
2003.11	10	65,000,000	650,000,000	42,443,957	424,439,570	Capital increase from surplus (Note 5) by NT\$8,322,350	None	None

- Note: 1. Dated May 28, 1998, approved by the Securities and Futures Commission, MOF, with Letter (87) Tai-Cai-Zheng (I) No.45331.
2. Dated April 7, 1999, approved by the Securities and Futures Commission, MOF, with Letter (88) Tai-Cai-Zheng (I) No.31051.
3. Dated June 30, 2000, approved by the Securities and Futures Commission, MOF, with Letter (89) Tai-Cai-Zheng (I) No.56229.
4. Dated July 11, 2001, approved by the Securities and Futures Commission, MOF, with Letter (90) Tai-Cai-Zheng (I) No.144008.
5. Dated September 26, 2003, approved by the Securities and Futures Commission, MOF, with Letter (92) Tai-Cai-Zheng (I) No.144651.

2. Type of share

Unit: Share

Type of share	Authorized capital			Remarks
	Outstanding shares	Unissued shares	Total	
Common shares	42,443,957	22,556,043	65,000,000	TWSE listed shares

(II) List of Major Shareholders:

June 11, 2026

Names of major shareholders	Shares	No. of shares held	Shareholding ratio
Pacific Worldwide Investment Co., Ltd.		6,790,856	16.00%
Ling-Yu Investment Co., Ltd.		6,450,000	15.20%
Wu, Hsien-Tai		3,574,459	8.42%
Lin, Ai-Yu		1,873,809	4.41%
Wu, Chao-Wen		965,069	2.27%
Wu, Rui-Hua		365,613	0.86%
Citibank as custodian of Berkeley Capital SBL/PB investment account		351,000	0.83%
Standard Chartered acts as custodian for Mizuho Securities Co., Ltd.		267,000	0.63%
Luo Yu-chao		204,000	0.48%
Wu, Chiao-Jen		200,998	0.47%

Shareholders holding 5% or more in the total shares or top 10 shareholders in terms of shareholding

(III) Company's dividend policy and implementation thereof:

1. The Company's dividend policy is as follows:

The net income of the Company after the annual settlement, other than withholding the income tax, shall make up for accumulated losses in previous years, and set aside 10% as legal reserve; the special reserves shall be provided or reversed where necessary. If any balance is left, with the undistributed earnings accumulated from previous years, the Board of Directors prepares the proposal of distribution to be submitted to the shareholders' meeting for resolution.

The Company's dividend policy is determined by considering the environment where the Company is and the stage of growth, based on the solid financial planning for the sustainable operation, and depending on the operation planning, future capital expenditure budget, and capital requirement; of which, the amount of cash dividends is no lower than 10% of the total shareholder dividends distributed, and the remaining amount may be distributed in shares. The distribution may be exempted if the cash dividend distributed to each share is less than NT\$0.1.

2. Dividend distribution proposed to the current shareholders' meeting: The Company approved the 2025 annual earning distribution proposal in the board meeting on March 12, 2026, and intended to distribute the cash dividends as NT\$0.6 per share. The proposal was submitted to the shareholders' meeting for approval and handled pursuant to relevant regulations.

(IV) Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders' meeting:

The Company has not disclosed the 2025 financial forecast and no stock dividend distribution, so it is not applicable.

(V) Remunerations to employees, directors, and supervisors:

1. The information with respect to employee, director, and supervisor compensation, as set forth in the Company's articles of incorporation:

Where the Company makes profit for a year, no more than 2% of the profit before tax shall be provided as the director and supervisor remuneration, and 5%–8% shall be provided as the

employee remuneration; however, the amount for compensation shall be set aside first if there are any accumulated losses.

Employees entitled for the remuneration distribution: complying to the Procedures of Employee Remuneration Distribution.

2. The Company estimates of employees, directors and supervisors' remuneration based on the Company's net profit before tax with consideration of the factors including the legal reserves, to multiply by the distribution percentage specified in the articles of incorporation (currently 5-8% and 2%), to be recognized as the operating costs or expenses for the year; however, for any difference between the actual distributed amount resolved by the shareholders' meeting and the estimates, such difference is recognized as profit or loss for the following year.
3. Information on any approval by the board of directors of distribution of remuneration:
 - (1) Based on the employee and director remuneration distribution plan for 2025 approved by the board of directors on March 12, 2026, the Company proposes to distribute employee remuneration of NT\$3,028,626 and director remuneration of NT\$756,000, all to be paid in cash.
 - (2) There is no employee remuneration distributed in shares in this instance.
4. Actual distribution of employee and director remuneration in the previous year:

For 2024, the Company distributed NT\$1,060,000 for the employees' remuneration and NT\$261,000 for the directors remuneration.

(VI) Status of a company repurchasing its own shares: None.

II. Issuance of corporate bonds: None.

III. Issuance of preferred shares: None.

IV. Issuance of global depository receipts: None.

V. Issuance of employee share subscription warrants: None.

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

VII. Implementation of the Company's capital allocation plans

(I) Plan description: None.

(II) Implementation: None.

Four. Overview of operations

I. Description of the business

(I) Scope of business

1. Major lines of business

- (1) Manufacturing, wholesale and retail of cleaners.
- (2) Manufacturing, wholesale and retail of cosmetics.
- (3) International Trade.
- (4) Wholesale and retail of environmental agents .
- (5) Wholesale and retail of daily commodities.
- (6) Wholesale of assist food products.

2. Current major products and the relative weight of each

Category	Ratio %
Detergent series	42.08%
Domestic cleaning series	53.53%
Others	4.39%
Total	100.00%

3. Current products

Category	Item
1. Laundry Detergent	Cold laundry detergent, laundry detergent, laundry balls, collar cleaner, fabric softener, bleach, antibacterial water and stain removal gel.
2. Domestic cleaning series.	All-purpose cleaners, glass cleaners, kitchen cleaners, bathroom cleaners, toilet cleaners, floor cleaners, washing machine tub cleaners, dish detergent, natural thermos bottle cleaners, tea stain removers, disinfectant cleaners and fruit and vegetable washing liquids.
3. Others	Hand sanitizers, mosquito repellents, mosquito repellent patches, hand soap, mosquito repellent gel, deodorizing sprays, cockroach baits, etc.

4. New products planned for development: general environmental agents and biotech products.

(II) Overview of the industry

1. Current status and development of the industry

As the income and living standards of the nationals are improved, consumers not only emphasize the how clean the household products and cleaning products for household environment would be, but tend to care about the ingredients and safety of cleaning products gradually. With the emphasis on environmental protection, consumers care more and more about the impact of domestic cleaners on the environment, and cleaning products made with biodegradable raw materials have also emerged.

The domestic cleaner industry in the future has the following trends:

- (1) Multifunctional products are valued: in addition to the original cleaning function of detergents, consumers also emphasize whether the product has other additional functions;

for example, antibacterial, soft, antistatic and other auxiliary functions are very popular among consumers.

- (2) The safety of detergent is a priority: since many cleaning products are in direct contact with the human body, the ingredients and safety of cleaning products have begun to become consumers' major consideration before purchasing.
- (3) Eco-friendly detergents are slowly emerging: due to the improvement of living standards, relative environmental awareness has gradually increased. Therefore, detergents such as biodegradable cleaning products causing no harm to the ecological environment have received the attentions from gradually.
- (4) Disinfection and sterilization products are hot sellers: due to the spread of bird flu, enterovirus, new influenza virus and COVID-19 in recent years, consumers are strongly concerned about the importance of personal hygiene and household cleaning; therefore, the products claiming functions of sterilization, disinfection, and anti-virus are sold very well, and this wave has not subsided yet.

2. Various development trends of products

The soap detergent industry includes all soaps and all detergents for household and personal washing. With the subdivision of the global industry, the improvement of human living standards, and stricter requirements on product safety and health, products that were originally categorized as soap cleaners are classified to cosmetics as long as they are applied to the external human body and contact with the skin. Currently, the scope of products and those directly related to the Company are roughly as below:

- (1) Fabric cleaning and care series: laundry detergents, fabric softeners, laundry bleaches, functional additives such as stain remover, or detergent auxiliary.
- (2) Domestic cleaning series: dish detergents, vegetables and fruit detergents, kitchen detergents, bathroom detergents, glass and furniture detergents, floor detergents, pipe detergents, and household fragrance.

Due to changes in raw materials, technologies, channels, and markets, several directions of evolution are described as below:

- (A) The market has developed into a buyer's market from a seller's market, and has deteriorated into a price market in recent years.
- (B) The products have evolved from low quality and low added-value to high quality and high added-value due to the benign competition among various brands over the years. However, in the past decade, due to the price market orientation, the products have had the average quality and low added-value.
- (C) The product prices change from homogeneity → diversity → competition → destructiveness.
- (D) The product focus shifted from cleaning , to simultaneous skin care, using natural raw materials, environmental protection, and energy saving and carbon reduction.
- (E) The products of the same manufacturer with single brand have been developed to various brands to meet the needs of the market and various aspects.
- (F) The products have evolved from a single function to a division of functions, and integration into all-in-one again.
- (G) The promotion and marketing approaches have been increasingly diversified, and TV media were the main tool of information. However, in recent years, due to the low added-values of products, advertising has been decreasing gradually.

- (H) As a result of numerous brands, the market segments have been increasingly shrunken, coupled with the weakened brand loyalty of consumers, and the price affects the consumption preference, resulting in strong substitution among brands.
- (I) Due to the low added-value of products, the domestic production conditions are gradually not lagging from competitions, and the products imported from abroad or re-imported by foreign plants have increased significantly.
- (J) Due to fierce market price competition, minimum product profit, and the fact that the hypermarket became the major sales pattern gradually in the decade, manufacturers have been charged a lot of improper fees, resulting in more compressed profit margins; therefore, in the R&D investments were cut, and new multi-functional products have been faded from the mainstream.

3. Links between the upstream, midstream, and downstream segments of the industry supply chain

The Company's main products are the fabric cleaning and care series: laundry detergents, fabric softeners, laundry bleaches, functional additives such as stain remover, or detergent auxiliary. Domestic cleaning series: dish detergents, vegetables and fruit detergents, kitchen detergents, bathroom detergents, glass and furniture detergents, floor detergents, pipe detergents, and household fragrance. The relationship among the up, mid, and downstream in the industry from the supply of raw materials, the production and packaging process to the sale of finished cleaning products is described as below:

- (1) Upstream: suppliers to provide raw materials, surfactants, margarine, fragrance, bottles, and labels for fabric cleaning and care and domestic cleaning products.
- (2) Midstream: mainly selling fabric cleaning and care series and domestic cleaning series through hypermarket channel, benefit product channel, department store and supermarket channel, distributor channels, and export.
- (3) Downstream: the end consumers actually using fabric cleaning care and domestic cleaning products include the hotel industry, professional laundry industry and the e-commerce channel.

4. Competition

As a result of fierce competition among medium and large chain channels, the profits of related suppliers have also been severely eroded. Therefore, the first priority is to effectively expand business and develop new channels. Corresponding to the aforesaid evolution direction, the following trends have emerged in terms of guidelines for production, management, marketing and strategic planning:

- Diversified operation

From the perspective of the entire industry, around the early 1950s, all manufacturers produced laundry detergents and laundry soaps. From the mid-to-late 1950s, manufacturers began to invest in the production of soaps continuously. In the 1960s, synthetic laundry detergents were the key items of diversified operation. Since the 1970s, shampoo (conditioner) and liquid cleansers have become members of the production lines in various manufacturers; during the two oil crises and the economic depression in the 1970s, manufacturers that failed to diversify were mostly unable to escape the fate of elimination. Thus, after the 1980s, the pace of diversification of the industry was accelerated.

- Vertically diversified operation:

Other than the products in the soap and detergent industry, the upstream raw materials for the production, as well as the downstream processed products: glycerin dodecylbenzene, surfactants, margarine, and fragrance.

- Horizontally diversified operation:
 - Raw material related: industry of cosmetics production.
 - Usage related: production of styling foam, hairdressing cream, ointment, among other things.
 - Channel related: production of food, diapers, sanitary napkins, among other things.
 - Biotechnology related: extending the foundation of the major business, and produce high value-added skin care products with high technology.

Regarding the business administration, diversifying risks and pursuing profits are the only ways for any company to seek good fortune and avoid bad luck. In particular, on the ever-changing international economic stage, Taiwanese industries, which lack of abundant resources, extremely tend to fluctuation due to the macro environment. The diversified operations are the important factor to ensure the survival of enterprises.

- Mutual cooperation among industries

For any industry, only the "mass production" meets the economic benefits, and is greatly helpful to technology development and cost reduction. The majority of the soap and detergent industry is concentrated in the domestic market. However, the domestic market has hardly grown in the past decade. Therefore, in the soap and detergent industry, mutual cooperation and commissioned production are very common; productions professional manufacturers to achieve "mass production" via the centralized production approach is quite necessary.

With the technological cooperation with foreign companies first, and then the joint ventures, most Taiwanese manufacturers have moved abroad in recent years. In the early days, the soap and detergent manufacturers and foreign companies were mostly cooperated for technologies. Later, due to the increasing trade deficits of the U.S., the U.S. requested the countries with huge trade surplus and trade barriers as protection measures, to lower tariffs and open markets. Therefore, during only several years, imports of daily necessities have flooded into Taiwan, by taking advantage of the appreciation of the New Taiwan Dollar against the US Dollar and the reduced tariffs.

As mentioned above, Taiwan is a market with high brand substitution and low consumer loyalty for daily necessities. In addition, with the preference of the imported products, the foreign daily necessities enter the market, and inherently the original market has been shared. To avoid such changes threatening the interests, the approach of "turning enemies into friends" is adopted through joint ventures or cooperative relationships, and to produce foreign brand products as an OEM, to mitigate the weakened productivity and marketing power of manufacturers.

(III) Overview of the company's technologies and its research and development work:

1. Research and development expenditures during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

Unit: NT\$ thousand

Item \ Year	2025	Current year up to March 31, 2026
R&D expenditure	3,624	823

2. Successfully developed technologies and products: With the gradual easing of the COVID-19 pandemic's impact, the world has entered the post-pandemic era, and lifestyles and consumer

demands have shifted as a result. In response to growing environmental and health awareness, Mao Bao has focused its innovation efforts on a technology roadmap centered around “improving unit performance and reducing overall resource use.” This has led to the adoption of concentrated formulas, high-concentration raw materials, and highly effective antibacterial technology in the development of products that balance functionality with sustainability.

R&D results: Mao Bao Hand Washing Mousse, Mao Bao Orange Tea-Scented Enzyme Degreasing Dish Soap, Mao Bao Musk Grape-Scented Enzyme Deodorizing Dish Soap, Mao Bao Small Soda Plant Extract Fragrance Household Soap, Mao Bao Small Soda Plant Extract Fragrance Laundry Liquid Soap (for Automatic Dispensers) – Anti-Mite & Antibacterial, Mao Bao Small Soda Plant Extract Fragrance Floor Liquid Soap – Apple & Pear Blossom, Mao Bao Small Soda Plant Extract Fragrance Floor Liquid Soap – Green Bamboo & White Pine, and Mao Bao Fine Clothing Cold Wash Essence – Color Protection & Wrinkle Removal.

In addition, Mao Bao has continuously integrated sustainability into its research and development process, and it is committed to developing cleaning products with reduced environmental impact. This commitment is realized through formula design and process optimization, which prioritize resource reduction and environmental stewardship. Many products developed in 2025 have passed third-party inspections and certifications, demonstrating the Company’s long-term commitment to environmental protection, product responsibility, and corporate governance through technological innovation.

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

1. Short-term business development plan: due to the fierce competition in chain channels such as supermarkets and hyper markets in recent years, the results of continuous promotions and advertisement of stores with the lowest prices have severely reduced the profits of suppliers. Facing the strong pressure on the channels, the Company has the following short-term business development plan in place:
 - (1) Strictly controlling channel fees: For the increased expenses of promotional activity not in the channel contract, the reasonableness of the expenses and the effect on improving performance will be carefully evaluated.
 - (2) Actively expanding new channels: In recent years, the Company has been actively investing in the development of channels for special sales and direct sales, seeking to mitigate the strong pressure of large chained channels, effectively expand business and improve sales performance.
 - (3) Actively launching new products: The Company will continue to research and innovate, to launch domestic cleaning products meeting the needs of consumers, and face the fierce market competition with a positive attitude.
2. Long-term business development plan: In addition to the huge pressure on the distribution channels in recent years, the sharp fluctuations in the price of upstream raw materials have also caused the increase in the manufacturing costs of downstream manufacturers. For price compression and cost increase, the Company has the following long-term business development plans:
 - (1) Rebuild the brand image: The Company will actively establish the brand image of Mao Bao, increase the exposure and awareness of the brand, such as the broadcast of media advertisements, blog operations and participation in public welfare activities, to refresh consumers' impression of Mao Bao as an optimal brand, to improve brand loyalty and designation.

- (2) Effective cost control: Due to the soaring price of crude oil, the prices of raw materials in the petrochemical industry have moved drastically. Therefore, the Company will actively seek suppliers around the world and exert its procurement bargaining power to effectively achieve cost control and further reduce costs.
- (3) Expand foreign markets: In 2006, an overseas investment company was established to reinvest in Vietnam. The plant was completed in February 2012, and sales in Vietnam began in mid-2013.

While various challenges will be encountered in the future, Mao Bao will insist the concept of sustainable operation, actively expand its business, and continue to create a better future for employees and shareholders.

II. Analysis of the market as well as the production and marketing

(I) Market analysis

1. Geographic areas where the main products of the company are provided

The main sales channels of the Company's products are various domestic hypermarkets, supermarkets, benefit products, special merchandise and cosmetic/drug stores.

2. Demand and supply conditions for the market in the future and the market's growth potential

(1) Analysis of the demand in the market

Since manufacturers actively invest in the R&D and innovation of new products, the potential needs of consumers will continue to be developed to expand the overall market; in particular, when facing the era of segmentation and micro-profits, products with functional orientation, personalization, and higher added-value meet the needs of consumers better; in addition, with the implementation of environmental protection policies and the awareness of environmental protection is improved in Taiwan, products with low consumption, low pollution, and less consumables will also become the mainstream of the market. Meanwhile, as the product information is full of market with high product homogeneity, consumers will be influenced when purchasing more by factors such as brand, visibility and promotion.

(2) Analysis of the supply in the market

The suppliers in the detergent market can basically be categorized as two: foreign and local. Foreign manufacturers take advantage of international marketing experiences and abundant marketing resources to capture the market; the local high-quality manufacturers adopt market segmentation policies to provide consumers with unique and high value-added products meeting their needs, to effectively penetrate the market and occupy their positions.

(3) Growth potential

In the future, the cleaner market will enter a period of integration. Other than strengthening the research and development of product functionality, all manufacturers must fully invest in product packaging, brand image building, marketing network establishment, advertisement and promotion, and business performance will be more important. Meanwhile, due to changes in consumption habits and rising awareness of environmental protection, the industry will develop towards personalization, functionality, diversification, high added-value, and clear segmentation. The demand for health, environmental protection, nature, and peace of mind is the direction of appeal.

With the improvement of economic incomes and the increase of elderly population, to provide consumers with better products and quality, the Company has invested a great

amount of money and manpower to develop personal and domestic cleaning products that meet consumer needs.

3. Competitive edges, positive and negative factors for future development, and the company's response to such factors

(1) Competitive edges

- a. Optimal brand image, high awareness, and good product quality
- b. Capabilities of research and development for new products
- c. Perfect marketing channel network
- d. Sound financial structure
- e. Excellent management team
- f. Highly digitized enterprises

(2) Positive and negative factors for future development, and the company's response to such factors

[Positive factors]

A. With the improvement of national income and quality of life, as well as changes in consumption behavior, there is a great potential for product demand.

The domestic cleaning products produced and sold by the Company will grow steadily along with the increase in the number of residential households of the consumer population in Taiwan, the increase in national income, the change in the cleaning habits of Taiwanese, and the continuous introduction of products with new formula and high added-value emphasizing special functions to stimulate consumer demands.

B. Excellent brand image deeply recognized by consumers.

The Company has been creating an excellent brand image with excellent product quality and reputation for a long time. For example, Mao Bao cold water wash for hand-washing high-end clothes is not only a leading brand in the market, but also widely recommended by major clothing brands; additionally, the all-purpose series of laundry detergents and cold water wash are also well-known brands of liquid laundry detergent in Taiwan. Mao Bao softener is the first softener containing natural ingredients and well received by the market. And Mao Bao antibacterial dish washing liquid is the first bottle of antibacterial dish washing liquid certified by a medical institution in Taiwan. It not only became a hot product of the year, but also has triggered an antibacterial trend in the domestic dish washing liquid market, winning the feedbacks and affirmation from consumers. Therefore, the excellent brand image has always been the biggest advantage of the Company's marketing.

C. Strong research and development capabilities that are able to create demand, and adaptive to changes in the market environment all the time.

With the improvement of the quality of life and the awareness of environmental protection and health, consumers' demand for cleaning products will gradually transform from the physical demand for cleaning power to the psychological demand for merchandise power and brand power. The Company has outstanding research and development capabilities, and has engaged in product research and innovation for more than three decades to , establish its own brands, such as the Mao Bao series, the all-purpose series, the Color Guard series, the Ultra series and the Little Thing series. As the strong research and development capabilities have always been committed to the business philosophy of environmental protection, the Company's

products always give consumers a positive image of high-end, progressive, safe, reliable and environmentally friendly. Because the products are developed in-house, they are absolutely independent and autonomous, and thus the market competition edges are enhanced.

D. Well-rounded marketing channels are in place to establish market advantages.

The ability to control channels is actually the key to a company's success. Harmony and effective channel operation and management not only create the competitive advantages owned by an enterprise, but also serve the public to improve the quality of life for the public. The Company has been established for 40 years. Due to the ethical management, it has established a good cooperative relationships with marketing channels for a long time. Therefore, the Company has a well-rounded marketing network. Via the collaboration of distributors and agents, the penetration rate at each channel has been high, with more than 7,000 points of sales in Taiwan. In nutshell, the Company has been able to effectively control the marketing channels. Furthermore, to cooperate with its future launch into an all-rounded business model, it will develop toward a full range of personal and domestic cleaning products, and actively develop special sales channels such as gas stations and gifts to establish corporate advantages.

E. With an international perspective and the ability to act as an agent to introduce and sell foreign products.

Responding to the improvement of consumers' consumption levels and ever-changing use habits, Mao Bao began to act as the agent of Spontex, the world's premium and best quality viscose and gloves professional French manufacturer in 1999, providing consumers with more convenient and easier household products. In addition, Mao Bao also actively collects information on foreign products, and contacts and cooperates with excellent foreign manufacturers to introduce products suitable for sales in Taiwan.

F. Able to develop innovative products and predict market trends.

The four major business philosophies of Mao Bao are the ethical management, research and innovation, commitment to environmental protection, and feedback to the society. Mao Bao has continued to research and develop products meeting the needs of consumers actively, and led the market to launch Mao Bao washing machine cleaner and natural water pot cleaners, seeking to provide consumers for a cleaner home life.

[Negative factors and responses]

A. Domestic labor costs continue to rise, and labor shortages increase operating costs.

*** Countermeasures:**

- a. The Company expanded the plant and invested to add the automated production equipment, for reducing production costs, and effectively improving production capacity and warehouse management performance.
- b. The Company actively invests in the production of heavy-duty packs to reduce costs and comply with trends of environmental protection.
- c. In the situation where the Company controls the process formula, technologies and self-owned brand, and commission the manufactures of some products to OEMs to lower the costs.

- d. The Company seeks international raw material suppliers for improving procurement bargaining power to effectively reduce costs.

B. Responding to the government's vigorous promotion of trade liberalization policies, foreign goods have flooded into Taiwan, resulting in intensified market competition.

* Countermeasures:

- a. The Company is committed to the research and development of products with market niches, and invests in biochemical preparations, personal cleaning and hygiene products, to provide products that better meet the up-close needs of consumers and required for the environmental protection.
- b. Looking for excellent manufacturers locally and at overseas, to serve as an agent to sell their excellent products, while expanding the existing product lines through strategic alliances, to increase profit margins. Currently, it is the agent of the Spontex series products of the French company, Spontex, with humongous response.
- c. Developing manufacturing technologies for related upstream and downstream industries, so that the overall manufacturing processes can enjoy the synergistic effects.

C. Channel competition and the emergence of pragmatic consumption concept make some related daily cleaning products to become targets of price-cutting competition.

* Countermeasures:

- a. The Company will strengthen the good cooperative relationships with the original channels, and to respond to the characteristics of channels, the Company adopts different packaging specifications as divisions, and actively promotes the cooperative promotion programs, for the mutually benefit and co-prosper with the channels.
- b. The Company will accelerate its entry into professional channels such as pharmacies, cosmetic shops, and beauty material shops, and develop new channels such as gifts, professional usage, and group consumer markets, to reduce the influence from the possibly reducing original channel markets, to expand sales presence, and strive for greater market shares, to obtain higher profits and avoid price competitions.

(II) Usage and manufacturing processes for the company's main products

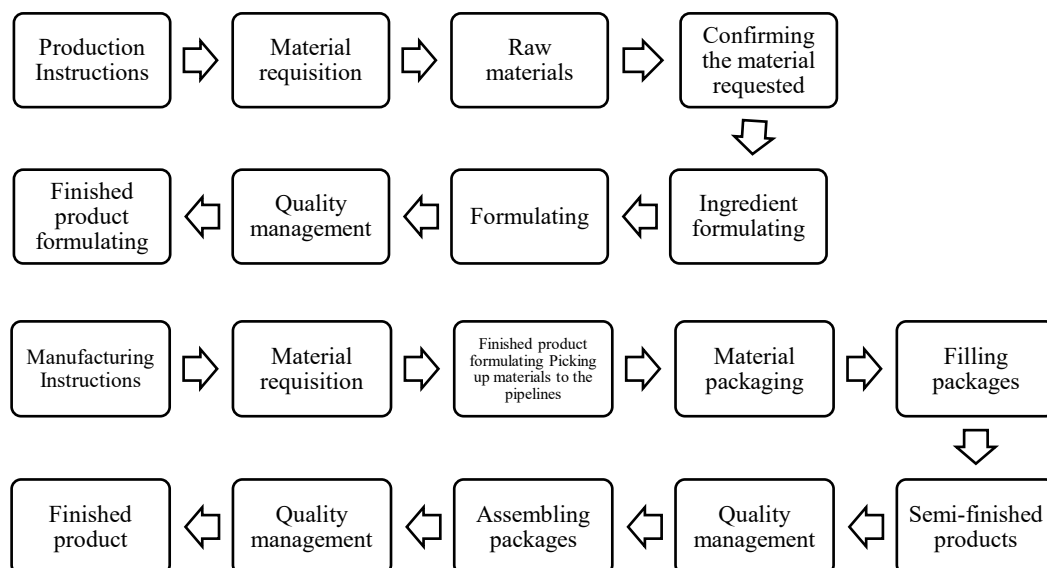
1. Main usage of the main products:

Product	Usage or function
Cold water wash	Used for washing and maintenance of high-end clothes
Collar wash	For removing stain at a local position or special maintenance of clothes
Laundry detergent	Used for washing, color protection and maintenance of clothes
Domestic cleaning products	Used for cleaning, deodorizing and maintaining the household washing machines, bathroom equipment, kitchens and floors
Dish Washing Liquid	Used to wash dishes, prevent bacterial infection and protect hands

Others	For domestic cleaning (kitchen and floor), personal cleaning and maintenance
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2. Manufacturing processes

Manufacturing process of laundry detergent, cold water wash, softener, and dish washing liquid.



(III) Supply situation for the company's major raw materials

Most of the Company's main raw materials are purchased domestically, and the sources can be fully controlled. The Company has long history of doing business with suppliers, and the quality is maintained at a certain level. Also, due to the bulk purchase, the unit prices of incoming materials are also reduced, and the supply of raw materials is stable.

(IV) List of any suppliers and clients accounting for 10 percent or more of the company's total procurement (sales) amount in either of the 2 most recent fiscal years

1. List of Suppliers Accounting for 10% or More of Total Purchases in the Most Recent Two Years

Unit: NT\$ thousand

	2024				2025				Q1 2026			
Item	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	Percentage of net purchases up to Q1 2026 (%)	Relationship with the issuer
1	Company A	30,749	10%	None	Company A	32,498	10%	None	Company A	7,274	10%	None
2	Company B	20,688	7%	None	Company B	19,935	6%	None	Company B	5,434	8%	None
3	Company C	18,977	6%	None	Company C	18,163	6%	None	Company C	5,265	7%	None
4	Others	235,292	77%		Others	242,419	78%		Others	53,509	75%	
	Net purchases	305,706	100%		Net purchases	313,015	100%		Net purchases	71,482	100%	

2. Information on Major Customers Accounting for 10% of Sales in the Most Recent 2 Fiscal Years

Unit: NT\$ thousand

	2024				2025				Q1 2026			
Item	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	Percentage of net sales up to Q1 2026 (%)	Relationship with the issuer
1	Company A	150,412	25%	None	Company A	167,254	25%	None	Company A	39,750	23%	None
2	Company B	80,894	14%	None	Company B	122,451	18%	None	Company B	32,478	19%	None
3	Company C	61,895	10%	None	Company C	57,910	9%	None	Company C	12,840	8%	None
4	Others	299,969	51%		Others	327,489	48%		Others	85,435	50%	
	Net sales	593,170	100%		Net sales	675,104	101%		Net sales	170,503	100%	

III. Number of employees employed

Year		2024	2025	Current year up to March 31, 2026
Number of employees	Direct manpower	30	29	29
	Indirect manpower	128	119	119
	Total	158	148	148
Average age		45.2	45.6	45.7
Average years of service		10.3	9.4	9.3
Education distribution percentage	Ph.D.	0	0	0
	Master's degree	10.8%	13.5%	13.5%
	College	56.3%	51.4%	52%
	Senior high school	24.1%	25.7%	25.7%
	Below senior high school	8.9%	9.5%	8.8%

IV. Disbursements for environmental protection

- (I) Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents: None of such situation.
- (II) Future countermeasures and possible expenditures: On the premise of pursuing balanced development and sustainable operation, Mao Bao has promised externally that the Company is determined to protect the environment and maintain community safety. Internally, it requires employees to improve their expertise, and continuously create environmentally friendly products benefitting the public, and take safety, health and environmental protection as the Company's basic considerations for sustainable operation. The deficiencies discovered through the audit by environment and safety personnel are included in the improvement priorities to be continuously improved through the PDCA cycle, to comply with the law and enhance corporate image.

The Company's main types of industrial waste are sludge, waste plastics, and waste containers. There are no harmful industrial waste, and all industrial waste is entrusted to legal cleaning and transportation companies to be sent to legal treatment plants for disposal. Recycling is the main treatment method, never reducing the impact on the environment.

V. Labor relations

- (I) Employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests are listed as below:

1. Employee benefit plans

- (1) Gift money for Chinese New Year, three major festivals, childbirth, and birthdays.
- (2) Labor and National Health Insurance.
- (3) Condolence money for hospitalization and funerals.
- (4) Subsidies for group travel.
- (5) Scholarships and education grants for employees and children.
- (6) Others: The disbursement of emergency relief funds and disaster aid have made the Company's employees to feel the Company's care.

2. Education and training

The Company values the employee education and training, holds internal education

and training and participates in external seminars on related businesses from time to time, to enhance the expertise and competitiveness of employees.

3. The retirement system and its implementation

- (1) Old system: based on the employee retirement procedures established pursuant to the Labor Standards Act before June 30, 2005, all permanent employees who have certain service years may receive pensions pursuant to the procedures; the approved contribution rate of 2% is applied on the total monthly salaries to contribute the labor retirement reserves to be deposited in the dedicated account with Bank of Taiwan Bank for custody and utilization.
- (2) New system: based on employee retirement procedures established pursuant to the Labor Pension Act after July 1, 2005 (July 1 inclusive), all permanent employees may receive pensions pursuant to the procedures; pensions are contributed every month to be deposited in the personal labor pension account established by the Labor Insurance Bureau.

4. Labor-management negotiation

The Company values the opinions of employees, and the opinions of employees are communicated and coordinated through channels to maintain good labor relations. Therefore, since the incorporation of the Company, there has been no dispute or negotiation.

- (II) Losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to labor disputes, estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken are as follows:

The Company has formulated the employee rules and implementation rules, with a comprehensive plan from employment, promotion, until retirement, as the regulations to be conform to by the Company and employees. The Company has not had any labor disputes so far. In the future, the Company will continue and actively promote various employee welfare measures, so no loss due to labor dispute is expected to be sustained.

VI. Cyber security management

- (I) Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management
 1. Cyber security risk management framework: the Company's information department is an independent department that from units of users. It is responsible for coordinating and implementing information security policies, promoting information security information, improving employees' awareness of information security, and collecting and improving technologies, products or programs of the Company's information security management system. The audit department regularly conducts information security inspections to evaluate the effectiveness of the internal control of the Company's information operations.
 2. Cyber security policy: to operate and execute the Company's various information management systems effectively thoroughly, maintain the confidentiality, integrity, and availability of important information systems, to ensure the safe operation and maintenance of information systems and equipment networks, for achieving the goals of sustainable operation. (1) Complying with the information security system and regulating the operating conducts; (2) Building information security equipment and implementing the information security management; (3) Strengthening the education and training to improve information security awareness (4) Doing a good job in emergency response and rapid disaster recovery; (5) Promoting the continuous improvement to ensure sustainable operation.

3. Cyber security management measures

Type	Description	Related operations
Permission management	Managerial measures for personnel accounts, permission management, and system operating conducts	Personnel account permission management and review Regular inventory of personnel account permissions
Access management	Controlling measures for access to internal and external systems and data transmission channels	Internal/external access control measures Operational behavior trace record
External threat	Potential internal vulnerabilities, infected channels and protective measures	Mainframe/computer vulnerability detection and measures of updates Virus protection and malware detection
System availability	System availability status and treatment service interruptions	System/network availability status monitoring and reporting mechanism Contingency measures for service interruption Information backup measures, local/remote backup mechanism Regular disaster recovery drills

4. Resources invested in cyber security: each computer has the anti-virus software installed, and internal and external firewalls are also established, with regular information security education and training arranged.

- (II) List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.

VII. Important contracts: None.

Five. Financial position and financial performance, and shall assess its risks

I. Financial position:

Comparison Analysis of Financial Position

Unit: NT\$ thousand

Item	Year	2025	2024	Difference	
				Amount	%
Current assets		437,499	415,557	21,942	5.28
Property, Plant and Equipment		198,365	204,424	(6,059)	(2.96)
Other assets		35,550	36,779	(1,229)	(3.34)
Total assets		671,414	656,760	14,654	2.23
Current liabilities		141,013	132,748	8,265	6.23
Non-current liabilities		27,712	30,239	(2,527)	(8.36)
Total Liabilities		168,725	162,987	5,738	3.52
Share capital		424,439	424,439	0	0.00
Capital reserve		2,704	2,704	0	0.00
Retained earnings		78,218	69,175	9,043	13.07
Other equities		(2,672)	(2,545)	(127)	4.99
Total equity of shareholders		502,689	476,885	25,804	5.41
Description: Increase or decrease between the most recent 2 years is more than 20% with significant amount. None of such situation.					

Note: the source is the 2024 and 2025 consolidated financial statements.

II. Operating results:

Comparison Analysis of Operating Results

Unit: NT\$ thousand

Item \ Year	2025	2024	Amount increased (decreased) by	Change ratio %
Net operating revenue	675,104	593,170	81,934	13.81
Sales cost	(396,678)	(349,677)	(47,001)	13.44
Gross Profit	278,426	243,493	34,933	14.35
Operating expenses	(233,893)	(234,876)	983	(0.42)
Operating income (loss)	44,533	8,617	35,916	416.80
Non-operating Income and Expenses	1,656	13,728	(12,072)	(87.94)
Net income (net loss) before tax	46,189	22,345	23,844	106.71
Gain (expense) from income come tax	(16,862)	(9,726)	(7,136)	73.37
Net income (net loss) for the period	29,327	12,619	16,708	132.40
Total of items not re-classified	938	775	163	21.03
Total of items that may be reclassified subsequently to profit or loss	(127)	3,494	(3,621)	(103.63)
Total comprehensive income for the period	30,138	16,888	13,250	78.46
Descriptions of changes more than 20%: (I) Operating profit (loss), profit (loss) before tax, income tax expense (benefit), profit (loss) for the period, total items that will not be reclassified subsequently to profit or loss, and total comprehensive income for the period increased compared to the previous period, primarily due to growth in sales profitability and actuarial remeasurement adjustments of the defined benefit plan. (II) Non-operating income and expenses and items that may be subsequently reclassified to profit or loss decreased from the previous period, mainly due to changes in cumulative translation adjustments resulting from exchange rate fluctuations.				

Note: the source is the 2024 and 2025 consolidated financial statements.

III. Cash flow:

(I) Liquidity analysis of the most recent two years

Year \ Item	2025	2024	Increased (decreased) by %
Cash flow ratio	29.84	1.16	2,472.41
Cash flow adequacy ratio	103.21	110.21	(6.35)
Cash reinvestment ratio	3.03	0.22	1,277.27
Descriptions of changes: The cash flow ratio and the cash reinvestment ratio increased compared to the previous period, mainly due to an increase in cash inflows from operating activities during the current period.			

(II) Remedial measures and liquidity analysis for insufficient cash: Not applicable

(III) Liquidity analysis for the coming year

Unit: NT\$ thousand

Beginning cash balance (1)	Expected net cash flow from operating activities for the whole year (2)	Expected cash outflow for the whole year (3)	Expected amount of cash balance (deficit) (1)+(2)-(3)	Remedial measure of expected cash deficit	
				Investment plans	Treasury plans
209,336	42,085	26,881	224,540	-	-

IV. Effect upon financial operations of any major capital expenditures during the most recent fiscal year: None

V. Reinvestment policy for the most recent fiscal year:

Description \ Items	Policy	Main reason of profit or loss	Improvement plant	Other investment plans in the future
Pacific Worldwide Holdings Ltd..	Overseas holding companies	Incomes of Mao Bao Vietnam Inc. and Mao Bao (Shanghai) Trading are recognized with the equity method.	As below.	-
Mao Bao Vietnam Inc.	Expanding overseas market	The construction of Vietnam Plant was completed in February 2012, and the sales in Vietnam started at mid-2013; however, the breakeven has not yet achieved.	The sales channels in Vietnam will be constructed as soon as possible.	Marketing advertisement for channels.
Pacific Trading Group Co.,Ltd	Expanding overseas market	Established on December 5, 2024. Currently not yet in operation.	Expanding Vietnamese sales customers and distribution channels.	Marketing advertisement for channels
Mao Bao (Shanghai) Trading Ltd.	Expanding overseas market	Established on May 23, 2012, and it has been committed to the manufacturing, sales, and the local domestic market actively.	The customers in mainland China and channels are to be increased.	Marketing advertisement for channels.

VI. For risks, the following matters shall be analyzed and assessed during the most recent fiscal year and as of the date of publication of the annual report:

- (I) The effect upon the company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future:

Item	2025 (NTD thousand)
Net foreign exchange gain (loss)	(4,932)
Interest expenses	212

The Company's interest expenses are mainly related to the interest on lease liabilities from lease contracts, and there is no situation involving bank borrowings. Therefore, interest rate changes have no impact on the company's profit and loss. As for exchange rate fluctuations, the Company closely monitors the trends of major currencies in the international foreign exchange market and non-economic international changes, which is beneficial for judging exchange rate trends and responding promptly, effectively reducing foreign exchange risks. Inflation will lead to an increase in the Company's various operating costs. The Company will closely monitor future inflation situations, adjust management and sales strategies in a timely and appropriate manner, and effectively control costs to reduce the impact of inflation on the Company's profit and loss

- (II) The company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future:

The Company does not engage in high-risk, high-leverage investments or derivatives trading. The Company and its subsidiaries comply with relevant laws and regulations when providing funds to companies within the Group, and have established sound internal management policies and operating procedures to control related risks, including the "Operating Procedures for Lending Funds to Others and Making Endorsements/Guarantees" and the "Procedures for Acquisition or Disposal of Assets."

- (III) Research and development work to be carried out in the future, and further expenditures expected for research and development work: the household cleaning and personal care products meeting consumers' needs are expected to be launched continuously, with the expected expenditures expected for research and development work for NT\$4.78 million in 2026.
- (IV) Effect on the company's finance and operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response: the Company's sales markets are mainly local, and its finance and operations are both compliant with the current regulations of the competent authorities. In the past, and for the near-term, the company's finance and operations neither have been nor are expected to be affected by important policies adopted and changes in the legal environment at home and abroad.
- (V) Effect on the company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response: the Company is not a technology advanced company, so the effect is not material. The Company's IT department has prevented and promoted the cyber security risks regularly. The Company has been engaged in product research and innovation, while establishing its own brand for many years. The products are developed in house, so the Company has absolute independence to enhance its market competitiveness.
- (VI) The impact of changes in corporate image on crisis management and corresponding measures: Our company upholds the provision of high-quality products and a positive

corporate image to consumers. Therefore, no incidents that could affect the corporate image and lead to a crisis have occurred. If such an incident were to occur, a dedicated task force would be formed by the senior management to address it.

- (VII) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken: None.
- (VIII) Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken: None.
- (IX) Risks faced due to concentrated procurement or sales: In terms of procurement, the company maintains long-term and stable cooperative relationships with its suppliers, ensuring the quality of raw materials and delivery schedules. Therefore, the risk of concentrated procurement is not significant. Regarding sales, the company has established customer credit limits and conducts regular reviews and inspections to control risks.
- (X) Effect upon and risk to the company in the event a major quantity of shares belonging to a director, independent director or shareholder holding greater than a 10 percent stake in the company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken: None.
- (XI) Effect upon and risk to company associated with any change in governance personnel or top management, and mitigation measures being or to be taken: None.
- (XII) Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that: involve the company and/or any company director, any independent director, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report: None.
- (XIII) Other important risks: None.

VII. Other important matters: None

Six. Special items to be included

I. Information related to the company's affiliates

(I) Consolidated business report

1. Organizational chart of affiliates



2. Basic information on each affiliate

Unit: NT\$ thousand

Company name	Incorporation date	Address	Paid-up capital (Note)	Major business
Pacific Worldwide Holdings Ltd.	2006.01.11	Offshore Chambers, P.O. Box 217, Asia, Samoa	157,150	Overseas holding companies
Mao Bao Vietnam Inc.	2006.10.16	No. 3 road, Longthanh Industrial Zone, Taman Village, Longthanh District, Dongnai Province, Vietnam	94,290	Production and sales of various cleaning products
Pacific Trading Group Co.,Ltd	2024.12.05	Ground floor, 26 Luong Dinh Cua Street, An Phu Ward, Thu Duc City, Ho Chi Minh City, Vietnam	9,429	Wholesale, retail and lease of right-of-use services
Mao Bao (Shanghai) Trading Ltd.	2012.05.23	20F,Mirae Asser Tower,166 Lujiazui Ring Road,Pudong Shanghai 200120,China	4,715	Wholesale of daily necessities, cosmetics, and protection products, agency for commission, and package service of import and export

(Note) Translated with the exchange rate at the end of 2025.

- Information of the mutual shareholders of the presumed controlling company and subordinate companies: None.
- Information of the directors, supervisors, and presidents of each affiliate:

Unit: thousand shares

Name of enterprise	Job title	Name or representative	No. of shares held	
			No. of shares at the end of year	Shareholding ratio
Pacific Worldwide Holdings Ltd.	Director	Mao Bao Inc.	-	100%
Mao Bao Vietnam Inc.	-	-	-	100%
Pacific Trading Group Co.,Ltd	-	-	-	100%
Mao Bao (Shanghai) Trading Ltd.	-	-	-	100%

5. Overview of each affiliate's operation

Unit: NT\$ thousand

Company name	Capital	Total assets	Total Liabilities	Net value	Operating Revenue	Operating Income	Income (loss) of the period	Earnings per share (NT\$)
Pacific Worldwide Holdings Ltd.	157,150	35,869	383	35,486	-	(3,160)	10,121	157,150
MaoBao Vietnam Inc.	94,290	24,491	61,699	(37,208)	6,969	(3,149)	(1,794)	94,290
Pacific Trading Group Co.,Ltd	9,429	15,809	6,925	8,884	6,414	(246)	(235)	9,429
Mao Bao (Shanghai) Trading Ltd.	4,715	87,248	59,944	27,304	127,362	23,484	17,823	4,715

(Note) Translated with the exchange rate at the end of 2025.

(II) Consolidated financial statements of affiliates

Mao Bao Inc. and the subsidiaries

Declaration of consolidated financial statements of affiliates

We hereby declare that we have confirmed the companies which shall be included in the consolidated financial statements of the affiliates and the ones which shall be included in the consolidated financial statements in accordance with IFRS 10 endorsed by the Financial Supervisory Commission are identical; the related information has been disclosed in consolidated financial statements and will hence not be included in consolidated financial statements of the affiliates for the year ended in 2025, (January 1-December 31, 2025) in accordance with “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises.”

It is hereby certified

Company Name: Mao Bao Inc.

Person in Charge: Wu, Jui-Hua

March 12, 2026

(III) Relationship report: none:

II. Any private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.

III. Holding or disposal of shares in the company by the company's subsidiaries during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.

IV. Other matters that require additional description: None.

V. Any situation might materially affect shareholders' equity or the price of the company's securities, has occurred during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.

Mao Bao Inc.
Chairman: Wu, Jui-Hua