

Organization and Powers of the Audit Committee

The Audit Committee consists of all independent directors, totaling three members, chaired and convened by Mr. Gene-Tzn Chen

The primary responsibilities of this committee are oversight in the following matters:

1. Establishing or amending internal control systems as stipulated in Article 14-1 of the Securities and Exchange Act.
2. Assessment of the effectiveness of internal control systems.
3. Formulation or revision of procedures for significant financial activities such as acquisition or disposal of assets, engaging in derivative transactions, providing funds to others, endorsing or guaranteeing for others as per Article 36-1 of the Securities and Exchange Act.
4. Matters related to conflicts of interest involving directors themselves.
5. Significant asset or derivative transactions.
6. Major fund loans, endorsements, or guarantees.
7. Fundraising, issuance, or private placement of equity securities.
8. Appointment, dismissal, or remuneration of certifying accountants.
9. Appointment or dismissal of financial, accounting, or internal audit executives.
10. Annual and quarterly financial reports.
11. Business reports, profit distribution, or deficit compensation proposals.
12. Other significant matters prescribed by the company or competent authorities.

Decisions on the aforementioned matters require approval from more than half of all committee members and resolution by the board of directors.

For the aforementioned items, except the tenth, if approval from more than half of all committee members is not obtained, actions can be taken with the consent of more than two-thirds of all directors."

Disclosure of Independent Directors' Professional Qualifications and Independence Information

2024/12/31

Name	Highlight of Professional Qualification & Experience	Independence	If currently serves as independent directors of other companies
independent director Gene-Tzn Chen	<p>Graduated from Department of Law, National Taiwan University. Legislator (6 years), Delegate to the National Assembly (4 years) Investigator (5 years), Lawyer (45 years), Chairperson of IBT Ta-Chong Equity Investment Company (9 years) Chairperson of Taishin Securities Investment Trust CO.,LTD (3 years) Independent Director of CHAMPION BUILDING MATERIALS CO., LTD. (3 years) Currently works as the president of Wan-Jong management consulting limited and the independent director of CHEM</p> <p>As a Member of the Audit Committees and Compensation Committees, Mr. Chen proactively provides the expertise in financial management, risk management, strategies, and also the compliances of regulation and laws</p>	<p>The independent directors meet the circumstances of independence, including but not limited to her/himself, his/her spouse, and relatives within the second degree who do not serve as directors, supervisors or employees of the company or its affiliated companies;</p> <p>The independent directors do not hold shares in the company, and are not directors, supervisors or employees of a specific related company;</p>	No
independent director Sing-San Pai	<p>S.J.D of Chinese Culture University M.Arch. National Cheng Kung University B.Arch. Chung Yuan Christian University M. Administration Management, University of San Francisco National Policy Advisor to the President.(8 years) Board Director, Taipei Architects Association.(3 years) Chairman, Consumers' Foundation, Chinese Taipei. Chairman, Memorial Foundation of 228.(2 years) P.C.C Complaint Review Board for Government Procurement (12 Years) Currently works as the lead architect of TMA Architects & Associates and the independent director of CHEM</p> <p>As a Member of the Audit Committees and Compensation Committees, Mr. Pai has abundant experience in Law and Administration Management. The Company benefits from his vision and experiences from cross-industries and the diversity in perspectives for management and operation.</p>	<p>The independent directors are not provided with the amount of remuneration obtained by the Company or its related companies with business, legal, financial, accounting and other services in the last two years.</p> <p>None of the provisions of Article 30 of the Company Law apply.</p>	No

independent director Horng-Chi Chen	S.J.D of Kindai University Legislator (4 years), Delegate to the National Assembly,(6 years) Deputy Representative, Representative offices in Japan (3 years) Chairperson of Taiwan-Japan Relations Association, (1 year) Associate Professor of (2 years Aletheia University) Currently work as an independent director of CHEM As a Member of the Audit Committees and Compensation Committees, Mr. Chen provides the company with the perspectives of the international fluency with global vision and the professions in Law, also enhances the diversity in the Company’s strategies of business administration.	NO
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Audit Committee Annual Work Focus

The annual focus of the Audit Committee includes reviewing financial reports, assessing the effectiveness of internal control systems, governance-related matters, revising internal control systems, and addressing risk management issues.

Attendance of Members at Audit Committee Meetings in 2024

Up to the most recent in 2024, the Audit Committee Meetings was held for 6 times. The attendance record of the Audit Committee members was as follows:

Title	Name	Attendance in Person	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Independent Director	Gene-Tzn Chen	6	0	100	
Independent Director	Sing-San Pai,	6	0	100	
Independent Director	Horng-Chi Chen	5	1	83	

1. Matters listed in Article 14-5 of the Securities and Exchange Act.

Audit Committee Date of Meeting—	Content of Meeting Agenda
2024/1/18 Year 3 the5 th Meeting	<ul style="list-style-type: none">◦ To Report the Audit Work of 2023Q4◦ The Credit Limit of the Company from the Banks◦ The Guarantee and Endorsement for Reinvestment in other companies.◦ The Investment proposal to provide NT\$1.3 billion to the Company's subsidiary, Tian Chong Energy Co., Ltd. for financing purposes in

	<p>business needs.</p> <ul style="list-style-type: none"> ◦ Proposal of Investment in Sheng-He Precision Co. Ltd. ◦ Proposal of the Disposal of Shares of Hueilan Energy Co., Ltd. ◦ Discussion of the Capitalization of the company to increase by USD1 Million, to Jiangsu Chung-Hsin Precision Machinery Co.,Ltd. (Mainland China) ◦ Discussion of the Capitalization of the Surplus and the cash dividend distribution for the company - Jiangsu Chung-Hsin Precision Machinery Co.,Ltd. (Mainland China) ◦ Amendment to the “Corporate Charter”
<p>2024/3/11</p> <p>Year 3 the 6^h Meeting</p>	<ul style="list-style-type: none"> ◦ Review of the Company’s 2023 Internal Control System and Statement ◦ Evaluation of the independence and appropriateness of its certified public accountants for the year 2023 ◦ The Guarantee and Endorsement for Reinvestment in other companies. ◦ The Credit Limit of the Company from the Banks ◦ Adjustment of the amount of the Company's subsidiaries' financing facilities due to business needs. ◦ The Company’s Budget Plan of 2024. ◦ Amendment of Audit Committee Organizational Procedure ◦ Amendment of Procedures for the Preparation and Validation of Sustainability Reports ◦ 2023 Annual Business Report on Operations, Parent Company’s financial statements, and Consolidated financial statements ◦ 2023 Appropriation of the Company's 2023 annual earnings. ◦ 2023 Earning Distribution ◦ The Amendment of the Company's “Code of Conduct for Board of Directors Meetings.” ◦ Preparation of the release of shares and related procedures for the planning of the listing of our subsidiary, Bao-Sheng Global Co., Ltd.
<p>2024/5/9</p> <p>Year 3 the 7th Meeting</p>	<ul style="list-style-type: none"> ◦ The 2024Q1 Audit Work Report ◦ The Company to Report the Consolidated Financial Report of 2024Q1 ◦ The Credit Limit of the Company from the Banks. ◦ The Guarantee and Endorsement for Reinvestment in other companies. ◦ In order to comply with current accounting laws and regulations, the Company intends to treat “accounts receivable” recorded in the accounts receivable from reinvestment companies as a loan of funds and to carry out the related operational procedures. ◦ Amendment of the Company's “Rules Governing Financial and Business Matters Between the Company and its Related Parties.”

	<ul style="list-style-type: none"> ◦ Introduction of ISO37001 Bribery Prevention Management System ◦ Capital Reduction of the Company's subsidiary, CHEM Corp
2024/6/14 Year 3 the 8 th Meeting	<ul style="list-style-type: none"> ◦ Establishment of Guidance to Pre-approval of Non-Assurance Services, the Definition of the Applicable Entities and Relevant Chargers ◦ Amendment of the Company's "Ethical Corporate Management Best Practice Principles" ◦ Capital Reduction of the Subsidiary - ME ENERGY SYSTEMS LIMITED ◦ The Company intends to acquire the Right-of-Use Assets of Real Estates from Relevant Parties
2024/8/12 Year 3 the 9th Meeting	<ul style="list-style-type: none"> ◦ The 2024Q2 Audit Work Report ◦ The Company to Report the Consolidated Financial Report of 2024Q2 ◦ The Credit Limit of the Company from the Banks. ◦ The Guarantee and Endorsement for Reinvestment in other companies. ◦ The Company intends to increase or Cancel Financing of its Subsidiaries ◦ The Company is to dispose 100% of the shares of Chung-Hsin Precision Machinery Co.,Ltd.'s reinvested company, the Fumei Landscape & Real Esta Development Co., Ltd. in Mainland China, to Shanghai-Fuyuan Education Technology Company Limited, and is ready to reach the agreement of equity transfer.
2024/11/12 Year 3 the 10th Meeting	<ul style="list-style-type: none"> ◦ The 2024Q3 Audit Work Report ◦ To Declare the 2025 annual internal audit operation schedule plan ◦ 2025 Risk Assessment and Report ◦ The Company to Report the Consolidated Financial Report of 2024Q3 ◦ The Credit Limit of the Company from the Banks. ◦ The Guarantee and Endorsement for Reinvestment in other companies. ◦ For Compliance to the current accounting regulations, the Company intends to recognize “accounts receivable” from overseas investee companies as loans of funds and shall then perform the related procedures. ◦ Capital Reduction of the Subsidiary – CHEM Power Limited ◦ Amendment of Corporate Governance Best Practice Principles ◦ The Share Transfer of the reinvested company in Mainland China – Nanton, Ai-ers Light Alloy Precision Molding Co.
The members of Audit Committees approved the all proposals and the board then approved the reports based on the advice of the Audit Committees.	

2. Other resolutions not approved by the Audit Committee and endorsed by over two-thirds of all directors: None.

3. Disclosure of the execution status regarding independent directors' abstention from conflicts of interest cases should include the independent directors' names, agenda details, reasons for abstention due to potential conflicts, and their voting participation: None."