Professional Qualifications and Experience, the Focus of Work and Operation of the Audit Committee in 2025

1. Professional qualifications and experience of Independent Directors

Requirements / Name	Professional Qualifications and Experience
Independent Director Wang, Yea-Kang	Holds a Master of Laws from the Graduate Institute of Urban Planning at National Chung Hsing University. Serves as the convener of the Company's Compensation Committee, a member of the Audit Committee, and a member of the Corporate Governance and Sustainability Committee. Currently serving as a review expert for the Executive Yuan Public Works Committee and a consultant for the Taiwan Textile Research Institute. Possesses more than five years of work experience required in business, legal affairs, and company operations, with expertise in law and business management.
Independent Director Shyu, So-De	Holds a Ph.D. in Finance from the University of Alabama, USA. Serves as the convener of the Company's Audit Committee, a member of the Compensation Committee, and a member of the Corporate Governance and Sustainability Committee. Previously served as a professor in the Department of Finance at Sun Yat-sen University and as President and Professor of Takming University of Science and Technology. Has more than five years of work experience required for business, finance, and corporate operations, with expertise in financial management and accounting.
Independent Director Guu, Yuan-Kuang	Holds a Bachelor's degree in Chemical Engineering from National Taiwan University, a Master's degree in Food Engineering from National Taiwan University, and a Ph.D. in Food Engineering from Cornell University, USA. Serves as a member of the Company's Audit Committee and Compensation Committee. Currently serves as President of I-Shou University. Has more than five years of work experience required for business, finance, and corporate operations, with expertise in chemical engineering and food engineering.
Independent Director Chang, Chi-Nan	Holds a Master's degree in Executive Management from National Yang Ming Chiao Tung University, a Master's degree in Environmental Engineering Management from West Coast University in California, USA, and a Ph.D. from the Institute of Oral Science at Sun Yat-sen University of Medical Sciences. Serves as a member of the Company's Audit Committee. Currently serves as Chairman and President of Gshine Welltech Corp. and several other companies. Has more than five years of work experience required for business, finance, and corporate operations, with expertise in business management, environmental engineering, and medical sciences.

2. Key Responsibilities

   The powers and responsibilities of the Audit Committee are as follows:

(1) Formulating or amending the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
(2) Assessing the effectiveness of the internal control system.
(3) Formulating or amending the procedures for acquisition or disposal of major assets, engaging in derivatives transactions, extending loans to others, and providing endorsements or guarantees for others, in accordance with Article 36-1 of the Securities and Exchange Act.
(4) Matters involving the personal interests of Directors.
(5) Major assets or derivatives transactions.
(6) Major loans, endorsements, or guarantees.
(7) Offering, issuance, or private placement of equity securities.
(8) Appointment, dismissal, or Compensation of the attesting CPA.
(9) Appointment or dismissal of financial, accounting, or internal audit supervisors.
(10) Annual financial reports.
(11) The Business Report and proposals for profit distribution or loss offsetting.
(12) Other material matters required by the Company or competent authorities.

The Audit Committee held 8 meetings (A) in 2025, and the attendance of Independent Directors is as follows:

Title	**Name**	**Actual Number of Attendances**	**Number of Attendances by Proxy**	**Actual Attendance Rate (%) (B/A) (Note 1)**	**Note**
Independent Director	Shyu, So-De	8	0	100%	
Independent Director	Wang, Yea-Kang	8	0	100%	
Independent Director	Guu, Yuan-Kuang	8	0	100%	
Independent Director	Chang, Chi-Nan	8	0	100%	

Note 1: The actual attendance rate (%) of Independent Directors is calculated based on the number of Board of Directors meetings held and the number of meetings actually attended during their term of office.

Other Matters to be Recorded:

1. Operations of the Audit Committee:
   (1) Matters listed under Article 14-5 of the Securities and Exchange Act:
   For details, please refer to the table below "Operations of the Company's Audit Committee for 2025".
   (2) Apart from the aforementioned matters, resolutions not approved by the Audit Committee but consented to by two-thirds or more of all Directors: None.
2. Implementation of recusal by Independent Directors for conflict-of-interest agenda items, including the names of the Independent Directors, the content of the agenda items, the reasons for recusal due to conflict of interest, and the status of voting participation: None.

3. Communication among Independent Directors, internal auditor, and CPA for 2025:

(1). Communication between Independent Directors and CPA:

Date	Key Communication Points	Result
2025.03.12	【Audit Committee Report】 Audit Conclusions for 2024	Good
2025.11.07	【Audit Committee Report】 Audit Planning for Financial Statements for 2025	Good

(2). Communication between Independent Directors and internal auditor:

Date	Key Communication Points	Result
2025.02.19	【Audit Committee Report】 Summary of Audit and Follow-up Reports from November 2024 to January 2025	Good
2025.03.12	【Audit Committee Report】 Summary of Audit and Follow-up Reports for February 2025	Good
2025.04.14	【Audit Committee Report】 Summary of Audit and Follow-up Reports for March 2025	Good
2025.05.08	【Audit Committee Report】 Summary of Audit and Follow-up Reports for April 2025	Good
2025.05.27	【Audit Committee Report】 Summary of Audit and Follow-up Reports for May 2025	Good
2025.08.08	【Audit Committee Report】 Summary of Audit and Follow-up Reports from June to July 2025	Good
2025.11.07	【Audit Committee Report】 Summary of Audit and Follow-up Reports from August to October 2025	Good

(3) Forum between Independent Directors and internal auditor:

Date	Topic	Key Records / Notes
2025.11.07	1. Follow-up on Instructions from Previous Session	Regarding the instructions given by Independent Directors at the previous forum (such as enhancing corporate governance evaluation, building the audit team, and increasing sensitivity to investments in China), as well as follow-up

		items raised in monthly routine summary reports (deficiencies pending improvement at the solar energy subsidiary), the Audit Office reported improvement progress on each item one by one.
	2. Progress on 2025 Audit Plan Execution	The 2025 annual audit plan consists of 39 cases in total. As of the end of October 2025, 32 cases have been executed, representing an annual execution rate of 82%, all proceeding according to the planned schedule.
	3. Key Points of 2025 Internal Control Self-Evaluation Execution	The 2025 annual internal control self-evaluation adopts three major directions — [Reduce Quantity, Improve Quality, and Strengthen Risk Awareness] — as its execution objectives, with the aim of reinforcing personnel's internal control awareness and enhancing overall risk management within each unit.
	4. Planning for Audit Automation	The objective is to use automated system analysis of data to reduce manual review time, directly generate suspected anomalous samples, and allow Auditors to focus on confirmation, thereby improving efficiency and effectiveness.
	5. Independent Director Recommendations	1. Support the establishment of audit informatization and promote shared investment across the Group. 2. Promote audit automation and establish risk management mechanisms for procurement and sales. 3. Risks in the mainland China market are increasing, needs to raise alertness and prepare in advance. 4. Auditor talent gaps and compensation structure adjustments in the AI era.

3. The operation of the Company's Audit Committee for 2025:

Audit Committee Date	Meeting Session	Agenda	Audit Committee Opinion	Opinion Handling
2025.02.19	1st Meeting	1. Approved the proposal to exclude the Company's overdue accounts receivable in Q4 of 2024 from the fund lending cases.	Approved without objection	N/A
		2. Approved the Company's business plan for 2025.	Approved without	N/A

Audit Committee Date	Meeting Session	Agenda	Audit Committee Opinion	Opinion Handling
			objection	
		3. Approved the authorization proposal for the Company's banking facilities for 2025.	Approved without objection	N/A
		4. Approved the application for a medium-term working capital loan from the bank.	Approved without objection	N/A
		5. Approved the continuation and reduction of the endorsement and guarantee for subsidiary Wah Lee (Vietnam) Co., Ltd. (USD 8.9 million)	Approved without objection	N/A
		6. Approved the pre-approval of engaging Deloitte & Touche to provide non-assurance services to the Company and its subsidiaries.	Approved without objection	N/A
		7. Approved the appointment and compensation of the CPA for auditing and certifying the financial statements and tax returns for 2026.	Approved without objection	N/A
		8. Approved the date and venue for the 2025 Annual Shareholders' Meeting.	Approved without objection	N/A
2025.03.12	2nd Meeting	1. Approved the Business Report, Parent company only financial statements, and consolidated financial statements for 2024.	Approved without objection	N/A
		2. Approved the earnings distribution proposal for 2024.	Approved without objection	N/A
		3. Approved the amendment of certain provisions of the Company's Articles of Incorporation.	Approved without objection	N/A
		6. Approved the continuing performance guarantees for procurement by subsidiaries Raycong Industrial (Hong Kong) Limited, Dong Guan Hua Gang International Trading Co., Ltd., and Shanghai Yi Kang Chemicals & Industries Co., Ltd. to Shinkong Synthetic Fibers Corp. and Shinkong Applied Materials (Jiangsu) Co., Ltd. (NT$ 150,000 thousand)	Approved without objection	N/A
		5. Approved the continuation of the endorsement and guarantee for equity-invested company Asahi Kasei Wah Lee Hi-Tech Corp. (NT$ 25,194 thousand)	Approved without objection	N/A
		6. Approved the continuation of the endorsement and guarantee for equity-invested company Chang Nagase Wahlee	Approved without objection	N/A

Audit Committee Date	Meeting Session	Agenda	Audit Committee Opinion	Opinion Handling
		Plastics Corp. (NT$ 400,000 thousand and purchase guarantee of NT$ 67 million)		
		7. Approved the continuation of the endorsement and guarantee for equity-invested company Shanghai Hua Chang Trading Co., Ltd. (USD 19,500 thousand and purchase guarantee of USD 6,500 thousand)	Approved without objection	N/A
		8. Approved the issuance of the Company's Internal Control System Statement for 2025.	Approved without objection	N/A
2025.04.14	3rd Meeting	Approved the amendment to the earnings distribution proposal for 2024.	Approved without objection	N/A
2025.05.08	4th Meeting	1. Approved the consolidated financial report for Q1 2025.	Approved without objection	N/A
		2. Approved the exclusion of overdue accounts receivable from fund lending for Q1 2025.	Approved without objection	N/A
		3. Approved the continuation of endorsement and guarantee for subsidiary Hightech Polymer Sdn. Bhd. (USD 11 million)	Approved without objection	N/A
2025.05.27	5th Meeting	Approved the purchase of liability insurance for the Company's Directors and Managers. (Insurance coverage USD 5 million) (2025.06.18~2026.06.18)	Approved without objection	N/A
2025.08.08	6th Meeting	1. Approved the consolidated financial report for Q2 2025.	Approved without objection	N/A
		2. Approved the exclusion of overdue accounts receivable from fund lending for Q2 2025.	Approved without objection	N/A
		3. Approved the continuation of endorsement and guarantee for subsidiary Wahlee Innovation Materials Private Limited. (INR 100,000 thousand)	Approved without objection	N/A
		4. Approved the continuation of endorsement and guarantee for subsidiary Regent King International Limited. (USD 1 million)	Approved without objection	N/A
		5. Approved the addition of endorsement and guarantee for investee company Asahi Kasei Wah Lee Hi-Tech Corporation. (NT$ 25,969.2 thousand)	Approved without objection	N/A
2025.11.07	7th Meeting	1. Approved the consolidated financial report for Q3 2025.	Approved without objection	N/A

Audit Committee Date	Meeting Session	Agenda	Audit Committee Opinion	Opinion Handling
		2. Approved the exclusion of overdue accounts receivable from fund lending for Q3 2025.	Approved without objection	N/A
		3. Approved the continuation of endorsement and guarantee for subsidiary Wah Lee Philippines Inc. (USD 1 million)	Approved without objection	N/A
		4. Approved the continuation of endorsement and guarantee for subsidiary PT. Wah Lee Indonesia. (USD 2 million)	Approved without objection	N/A
		5. Approved the amendment to the Company's 'Procedures for Handling Reports of Illegal, Unethical, or Dishonest Conduct'.	Approved without objection	N/A
		6. Approved the amendment to the Company's 'Internal Control System - Payroll Cycle'.	Approved without objection	N/A
		7. Approved the definition of entry-level employees of the Company.	Approved without objection	N/A
		8. Approved the Company's audit plan for the year 2026.	Approved without objection	N/A
2025.12.30	1st Extraordinary Meeting	Approved the investment in Jinde Gas Co., Ltd.	Approved without objection	N/A