



## Dyaco International Inc.

### 2024 operations of the Audit Committee and its participation in Board meetings

1. Committee member term: The 2<sup>nd</sup> term from May 28, 2020 to May 27, 2023. The 3<sup>rd</sup> term from May 26, 2023 to May 25, 2026.
2. The purpose of the Audit Committee is to assist the Board in fulfilling its role of overseeing the quality and integrity of the Company's performance in relation to accounting, auditing, financial reporting processes and financial controls.
3. Audit Committee' s annual work plan for 2024 is as follows.
  - (1) Financial statements.
  - (2) The policies and procedures for auditing and accounting.
  - (3) The policies and procedures for internal controls.
  - (4) The material asset ot derivatives transactions.
  - (5) The material loaning of funds and endorsements/guarantees.
  - (6) The offering, issuance, or private placement of equity-type securities.
  - (7) The status of derivatives transactions and investments.
  - (8) Regulation compliance.
  - (9) Risk management.
  - (10) The evaluation of the independence and suitability of its CPA.
  - (11) The hiring or dismissal of an attesting CPA, or the compensation given thereto.
  - (12) Regular communications between the Chief Internal Auditor and the CPA.
  - (13) The performance assessment of the Audit Committee.
4. Audit Committee' s highlight of 2024:
  - (1) Review financial statements: The Board of Directors prepared the annual business report, the financial statements, and the earnings distribution proposal for the year 2022. The financial statements were audited and the audit report was issued by Deloitte. The above-mentioned business report, financial statements and earnings distribution proposal were forwarded to the Audit Committee for auditing, and the Audit Committee found that the same were prepared in accordance with the rules.
  - (2) The hiring of the CPA: The Audit Committee prepared CPA independence evaluation form with reference to Certified Public Accountant Act §47 and the Code of Professional Ethics Statement No. 10 on Integrity, Impartiality, Objectivity and Independence. The form evaluated the independence, competence and suitability of the CPA from the aspects of being a related party, having a business relationship, or having a financial interest with the Company.

The 9<sup>rd</sup> meeting of the 3<sup>rd</sup> Audit Committee on December 30, 2024, and the 9<sup>rd</sup> meeting of the 12<sup>th</sup> Board on December 30, 2024 approved that CPA Chen, Chung-Che and CPA Tsou, Yi-Yun with KPNG met the criteria for independence evaluation and were qualified to act as the Company's certified public accountants.



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5. Six Audit Committee meetings were convened in 2024 (A). The members' qualification and attendance status are as follows

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) 【 B / A 】	Note
Independent Director	Wang, Kai-Li	6	-	100%	Appointed on May 26, 2023
Independent Director	Wang, Chih-Cheng	6	-	100%	Appointed on May 26, 2023
Independent Director	Tu, Chi-Yao	6	-	100%	Appointed on May 26, 2023
Independent Director	Wu, Jiin-Po	6	-	100%	Appointed on May 26, 2023

6. Other required notes for the meetings:

- (1). In the event of either of the following situations, dates, sessions, motions, resolutions of the meetings, and the Company' s responses to the Audit Committee' s opinions should be noted:  
Matters listed in the Securities and Exchange Act §14-5.

Board Meeting Dates	Resolution	Any Independent Director Had a Dissenting Opinion or Qualified Opinion	
The 4 <sup>th</sup> meeting of the 12 <sup>th</sup> Board on March 12, 2024	(1).Loaning of funds for the subsidiaries of the Company.	None	
	(2).Determining whether there were loaning funds to unrelated parties in this quarter.	None	
	(3).Approval of 2023 annual financial statements and business report.	None	
	(4).Approval of 2023 statement of internal control system.	None	
	(5).Review to new shares through capitalization of capital surplus.	None	
	(6).Amendment to the “Articles of Incorporation”.	None	
	Independent directors' opinions: None.		
	The Company' s responses to independent directors' opinions: None.		
Resolution: All directors present at the meeting approved.			
The 5 <sup>th</sup> meeting of the 12 <sup>th</sup> Board on May 13, 2024	(1). Loaning of funds for the subsidiaries of the Company.	None	
	(2). Approval of 2024 the first quarter consolidated financial statements.	None	
	(3). Apply for bank loans.	None	
	(4). Fuel Spirit made loans to parent company.	None	
	Independent directors' opinions: None.		
	The Company' s responses to independent directors' opinions: None.		
	Resolution: All directors present at the meeting approved.		
The 6 <sup>th</sup> meeting of	(1). Switch to a new CPA from 2024.	None	

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the 12 <sup>th</sup> Board on Jun 4, 2024	(2).Board of Directors Resolution to Acquire Real Property from the subsidiary Iuvo.	None
	(3) Capital reduction in cash on behalf of subsidiary.	None
	(4)The Company made loans to sub-subsidiary IUVO.	None
	(5).The Company made loans to sub-subsidiary Winglong.	None
	Independent directors' opinions: None.	
	The Company' s responses to independent directors' opinions: None.	
	Resolution: All directors present at the meeting approved.	
The 7 <sup>st</sup> meeting of the 12 <sup>th</sup> Board on August 13, 2024	(1). Loaning of funds for the subsidiaries of the Company.	None
	(2). Approval of 2024 the second quarter consolidated financial statements.	None
	(3). Apply for bank loans.	None
	(4). Resolved to recognize financial asset impairment in accordance with IFRS 9	None
	Independent directors' opinions: None.	
	The Company' s responses to independent directors' opinions: None.	
	Resolution: All directors present at the meeting approved.	
The 8 <sup>nd</sup> meeting of the 12 <sup>th</sup> Board on November 12, 2024	(1). Loaning of funds for the subsidiaries of the Company.	None
	(2). Resolution to establish a subsidiary in Thailand	None
	(3).Approval of 2024 the third quarter consolidated financial statements.	None
	(4).Apply for bank loans.	None
	(5).Approval of the capital increase through the issuance of common shares.	None
	(6).Approval of the issuance of the fourth domestic unsecured corporate bond.	None
	Independent directors' opinions: None.	
	The Company' s responses to independent directors' opinions: None.	
	Resolution: All directors present at the meeting approved.	
The 9 <sup>th</sup> meeting of the 12 <sup>th</sup> Board on December 30, 2024	(1). President Plastic Products MFG. Co., Ltd. made endorsements/guarantees for the Company.	None
	(2). The Company made endorsements/guarantees for IUVO.	None
	(3). Apply for bank loans. °	None
	(4). 2024 Assessment of independence of CPAs.	None
	(5). Resolution on the Investment Plan to Establish a Factory in Thailand.	None
	Independent directors' opinions: None.	

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	The Company' s responses to independent directors' opinions: None.
	Resolution: All directors present at the meeting approved.

(2). Besides the above-mentioned matters, any matter that was not passed by the Audit Committee but was adopted with the approval of two-thirds or more of all Board directors: None.

7. In the event of recusals of independent directors due to conflicts of interests, the name of the independent directors, the motion, the grounds for recusal and the participation in voting should be noted: None.

8. Communications between the independent directors, the Company' s chief internal auditor and CPAs (e.g. the material items, methods and results of audits of financial position or operations, etc.)

(1). Communications between the independent directors and the CPA

Date	Attendee	Summary
May 30, 2024	<u>Independent Director</u> Hsieh, Chang-Hung Wang, Kai-Li Wang, Chih-Cheng  <u>Deloitte &amp; Touche CPA</u> Hsieh, Chien-Hsin Liao, Wan- I	<p><b><u>Communications between the Independent Directors and the CPA</u></b></p> <p>1. Discuss whether there are any indications of impairment in the investments under the group.</p> <p>2. Discuss improvements in the timeliness of financial statement preparation and the quality of accounting records.</p> <p><b><u>Independent Directors' Response</u></b></p> <p>1. If the CPA has any difficulties or significant communication issues during the audit, the finance department should do its best to assist.</p> <p>2. There are many subsidiaries in the Dyaco International Group, and the parent company should fulfill the responsibility of supervising them.</p> <p><b><u>The Company Follow-up</u></b></p> <p>1. Full cooperation with CPA in the audit.</p> <p>2. The Company assigned additional manpower to carry out the responsibility of supervising the subsidiaries.</p>
August 13, 2024	<u>Independent Director</u> Wang, Kai-Li Wang, Chih-Cheng Wu, Jiin-Po Tu, Chi-Yao  <u>KPMG CPA</u> Chen, Chung-Che Tsou, Yi-Yun	<p><b><u>Communications between the Independent Directors and the CPA</u></b></p> <p>Discuss the key items and specific risks in the group's financial statements.</p> <p><b><u>Directors' Response</u></b></p> <p>If the CPA has any difficulties or significant communication issues during the audit, the finance department should do its best to assist.</p> <p><b><u>The Company Follow-up</u></b></p> <p>Full cooperation with CPA in the audit.</p>

(2). Communications between the independent directors and the chief internal auditor



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Date	Attendee	Summary
December 30, 2024	<u>Independent Director</u>	<p><b><u>Communications between the Independent Directors and the CIA</u></b></p> <p>1. 2024 audit matters.</p> <p>2. Discuss the key issues of the 2025 audit.</p> <p>3. Explain the 2025 audit plan and project arrangement.</p> <p><b><u>Independent Directors' Response</u></b></p> <p>Enhance the audit project' s review items to ensure effectiveness and comprehensiveness in execution.</p>
	Wang, Kai-Li	
	Wang, Chih-Cheng	
	Wu, Jiin-Po	
	Tu, Chi-Yao	
	<u>Chief Internal Auditor</u>	
	Yang, Ai-Chi	

#### Audit Committee

The chief internal auditor submits the audit report to independent directors on a monthly basis, and reports to the Audit Committee and the Board of Directors on major findings of the internal control system. The chief internal auditor communicates with the Audit Committee the audit on a regular basis and responds to the Audit Committee members' questions after the release of monthly audit report. Relevant supervisors are invited to attend the meetings if necessary, and the chief internal auditor summarizes conclusions as well as suggestions and reports to the Audit Committee and the Board of Directors. The instructions of the Audit Committee and the Board of Directors are the guideline for implementation.

Audit Committee Meeting Date	Attended Independent Director	Attended Chief Internal Auditor	Summary	Resolution
March 12, 2024	Wang, Chih-Cheng Wang, Kai-Li Wu, Jiin-Po Tu, Chi-Yao	Yang, Ai-Chi	<ul style="list-style-type: none"> <li>● Approved 2022 internal control statement.</li> <li>● Reported the audit report of December 2023, January 2024 and February 2024</li> </ul>	Reported to the Board of Directors after the Audit Committee' s approval.
May 13, 2024	Wang, Chih-Cheng Wang, Kai-Li Wu, Jiin-Po Tu, Chi-Yao	Yang, Ai-Chi	Reported the audit report of March 2024 and April 2024.	Reported to the Board of Directors after the Audit Committee' s approval.
August 13, 2024	Wang, Chih-Cheng Wang, Kai-Li Wu, Jiin-Po Tu, Chi-Yao	Yang, Ai-Chi	Reported the audit report of May 2024, June 2024 and July 2024.	Reported to the Board of Directors after the Audit Committee' s approval.
November 12, 2024	Wang, Chih-Cheng Wang, Kai-Li Wu, Jiin-Po Tu, Chi-Yao	Yang, Ai-Chi	Reported the audit report of August 2024 and September 2024.	Reported to the Board of Directors after the Audit Committee' s approval.
December 30, 2024	Wang, Chih-Cheng Wang, Kai-Li Wu, Jiin-Po Tu, Chi-Yao	Yang, Ai-Chi	<ul style="list-style-type: none"> <li>● Reported the audit report of November 2024.</li> <li>● Approved 2025 annual audit plan.</li> </ul>	Reported to the Board of Directors after the Audit Committee' s approval.



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### 9. Evaluation of the Audit Committee

The Company conducted an evaluation of the Company's functional committee at the end of the year and the Audit Committee members were assessed on the following five aspects:

- (1). Involvement in the Company's operations
- (2). Awareness of the Audit Committee's duties
- (3). Enhancement of the quality of the Audit Committee's decision-making
- (4). Makeup of the Audit Committee and election of members
- (5). Internal controls

The weighted average score for the 2024 overall performance of the Board of Directors was 4.94 out of 5 and is expected to report the result to the Board at its first quarter meeting in 2025.