



ASC

ALLIED SUPREME CORP.

Stock Code : 4770



2024 Annual Report

Published on April 14, 2025

The contents of this Annual Report and related information of the Company can be accessed on the following website

Market Observation Post System (MOPS) website: <http://mops.twse.com.tw>

The Company's website: www.alliedsupreme.com.tw

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Allied Supreme Corporation

2024 Annual Report

Published on April 14, 2025

I. Spokesperson and acting spokesperson of the Company

Spokesperson: Li, Yuan-Chung	Deputy spokesperson: Liu, Yen-Chih
Title: Chief Executive Officer	Title: Chief Finance Officer
TEL: (04)758-2827	TEL: (04)758-2827
EMAIL: ir@alliedsupreme.com	EMAIL: ir@alliedsupreme.com

II. Address and phone number of head office, branch, and plant

H head office address: 4th Floor, No. 12 Minzu East Road, Yuanshanli, Zhongshan District, Taipei City

TEL:(02)2597-6222

Plant address: No. 20, Gongnan 2nd Road, Xixiang Line, Changhua County Line

TEL:(04)758-2827

III. Stock transfer agency

Name: Stock Affairs Agency, Yuanta Securities Co., Ltd.

Address: Ground Floor, No. 210, Section 3, Chengde Road, Datong District, Taipei City

Website:<http://www.yuanta.com.tw>

TEL:(02)2586-5859

IV. Attesting CPAs of the financial statements for the most recent year

CPA names: Chen, Wen-Hsiang and Liu, Shu-Lin

CPA firm: Deloitte Taiwan

Address: 20th Floor, No. 100, Songren Road, Xinyi District, Taipei City

Website:<http://www.deloitte.com.tw>

TEL:(02)2725-9988

V. The name of any exchanges where the Company's securities are listed offshore and the method by which to access information on the offshore securities: None

VI. Company website: <http://www.alliedsupreme.com/>

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I	

One. Letter to Shareholders

I. Pre-word

Dear shareholders,

We would like to thank all shareholders for their support of ASC over the past year. Through product diversity, ASC has provided customers with vertically integrated, one-stop services, establishing a competitive niche. Looking back on 2024, the semiconductor market continued to be impacted by the US-China trade war, equipment bans, and semiconductor chip legislation. The development of the semiconductor industry across various regions has been rapidly changing, yet ASC still performed well in 2024, achieving a record high in annual revenue. Looking ahead to 2025, our management team will continue to proactively face challenges and dedicate all efforts to maximize the benefits for our shareholders, employees, and stakeholders. Here, we present an overview of last year's business performance and the outlook for the year ahead:

II. Business Report

(I) 2024 Operation Results

1. Implementation Results of Business Plan

In 2024, the consolidated net operating revenue was NT\$6.457 billion, an increase of NT\$765 million compared to NT\$5.692 billion in 2023, representing a revenue growth of 13.4%.

The consolidated net profit after tax for 2024 was NT\$1.733 billion, an increase of NT\$50 million compared to NT\$1.683 billion in 2023.

The basic earnings per share (EPS) for 2024 was NT\$21.68.

2. Budget Implementation Status

The Company did not disclose its financial forecast for 2024, therefore, there is no need to disclose the budget implementation status.

3. Research and Development

The Product Development Department continues to focus on developing innovative technologies and products for various industries and projects, strengthening our competitive advantage. We also place great emphasis on the company's sustainable development, adhering to the belief that technology and perseverance are the foundation of success. Each year, we allocate 2-5% of our revenue for research and development, with a primary focus on the following three areas: Continue to invest in manufacturing and the acquisition of design patents and the introduction of automated production.

(1) Patent Development

Through industry demand analysis, we identify projects that are beneficial to the company's development and have market commercial value. We focus on acquiring manufacturing or invention patents and the independent development of key production equipment.

(2) Development of New Products or New Applications

In line with international trends such as energy conservation, carbon reduction, and ESG, ASC leverages over 40 years of experience in processing fluorine materials. We are dedicated to developing products for applications in waste chemical treatment, water resource recycling, and semiconductor consumables through various processing techniques. This promotes the circular economy and expands the scope of product applications.

(3) Improvement of Production Processes

We continuously develop automation production or testing equipment, understand customer quality requirements, and introduce the research and development of new equipment.

(II) Outline of 2025 Business Plan

1. Management approaches and important policies

- (1) Accelerate the development and application of new products.
- (2) Improve manufacturing processes to enhance operating efficiency.
- (3) Provide training and education to staff to improve product quality.
- (4) Improve customer service to meet customer needs.

2. Business expectation and important production and sales policies

In response to our customers' global expansion, the company is strengthening its marketing strategy for local overseas customers. We aim to leverage ASC's years of excellent industry performance to develop new markets and customers, creating win-win partnerships with our clients.

(III) Impacts of future development strategies, external competitive environment, legal environment and overall business environment

In response to the development of our customers' industries, adjust our two production bases in Taiwan and China in a timely manner, expand our plants and add equipment in response to customers' needs, improve our manufacturing processes to enhance efficiency and strengthen our competitive edge and aim to achieve growth in both revenue and profitability.

Finally, we would like to express our sincere gratitude to all shareholders for their continued support and recognition. We will remain committed to upholding the principles of corporate governance, fulfilling our corporate social responsibility, and pursuing sustainable operations to create even greater value for all of you.

We wish you all good health, peace and prosperity

Chairperson: Hou, Chia-Sheng

Two. Corporate Governance Report

I. Directors, President, Vice Presidents, Assistant Vice Presidents, and Heads of Departments and Branches

(I) Information on Directors

Mar 31, 2025; Unit: Shares; %

Title	Nationality or Place of Origin	Name	Gender Age	Date of Election	Term Years	Date of Initial Election	Shareholding when elected		Current Shareholding		Shareholding of spouse and minor children		Shareholding by Nominee arrangement		Key Work and Academic Experience	Other Position	Executives or Directors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Chairman (Note9)	Taiwan, R.O.C	Hou, Chia-Sheng	Male 66~70 years old	May 31, 2022	3	Nov 30, 1994	2,722,840	3.47	2,827,840	3.54	—	—	—	—	▶ Department of Mechanical Engineering, National Taipei Institute of Technology ▶ President of ASC	Note 1 Note 9	—	—	—
Director	Taiwan, R.O.C	Hsieh, Sheng-Kuo	Male 71~75 years old	May 31, 2022	3	Nov 30, 1994	4,769,640	6.07	4,480,259	5.60	—	—	—	—	▶ Department of Chemistry, Tamkang University ▶ Vice President of ASC ▶ Supervisor of ALLIED SUPREME Fluoroplastics (Jiaxing) Limited	Note 2	—	—	—
Director	Taiwan, R.O.C	Shang He Investment Co., Ltd.	—	May 31, 2022	3	Nov 28, 2016	4,520,825	5.76	4,520,825	5.65	—	—	—	—	▶ Bei-men Senior High School ▶ Chairperman of Shang He Investment Co., Ltd.	Note 3	—	—	—
		Representative: Chen, Si-Ling	Female 71~75 years old						—	—									
Director	Taiwan, R.O.C	Ying Sheng Investment Co., Ltd.	—	May 31, 2022	3	May 22, 2020	5,163,485	6.57	5,163,485	6.46	550,000	0.69	2,817,271	3.52	▶ M.B.A., University of California, U.S.A. ▶ Chairperson of Ying Sheng Investment Co., Ltd.	Note 4	—	—	—
		Representative: Su, Ming-Sheng	Male 71~75 years old						593,250	0.74									
Director	Taiwan, R.O.C	Wu, Ming-Yuan	Male 71~75 years old	May 31, 2022	3	Sep 15, 2000	1,772,144	2.26	1,772,144	2.22	1,079,000	1.35	—	—	▶ Department of Electrical Engineering, Tamkang University ▶ Supervisor of ASC	—	—	—	—
Director	Taiwan, R.O.C	Li, Yuan-Chung	Male 61~65 years old	May 31, 2022	3	Aug 28, 2015	1,123,741	1.43	1,228,741	1.54	170,000	0.21	—	—	▶ Department of Chemical Engineering, National Cheng Kung University ▶ Vice President of ASC	Note 5	—	—	—
Independent Director	Taiwan, R.O.C	Lu, Chien-Jung	Male 71~75 years old	May 31, 2022	3	Sep 2, 2020	—	—	—	—	—	—	—	—	▶ Department of Industrial Chemistry, National Tsing Hua University ▶ Vice President of Formosa Plastics Corporation (Mai Liao branches) ▶ President of San Jia Development Construction Co., Ltd. ▶ President of Management Department, SanDi Group	Note 6	—	—	—
Independent Director	Taiwan, R.O.C	Wang, Kui-Ching	Male 71~75 years old	May 31, 2022	3	Sep 2, 2020	—	—	—	—	—	—	—	—	▶ M.B.A., Michigan State University ▶ CFO of Ting Hsin (Cayman Island) Holding Corp. ▶ CFO of Ho Tung Chemical Corp. ▶ Partner of Baring Private Equity Asia Group	Note 7	—	—	—

Title	Nationality or Place of Origin	Name	Gender Age	Date of Election	Term Years	Date of Initial Election	Shareholding when elected		Current Shareholding		Shareholding of spouse and minor children		Shareholding by Nominee arrangement		Key Work and Academic Experience	Other Position	Executives or Directors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Independent Director	Taiwan, R.O.C	Chien, Yu-Kuo	Male 56~60 years old	May 31, 2022	3	Sep 2, 2020	—	—	—	—	—	—	—	—	➢ Bachelor of Law, National Taiwan University ➢ Legal consultant of Unitech Printed Circuit Board Corp. ➢ Legal consultant of Abocom Co., Ltd. ➢ Legal consultant of Yi Hsin Construction Co., Ltd.	Note 8	—	—	—
Independent Director	Taiwan, R.O.C	Chen, Yun-Chang	Male 66~70 years old	May 26, 2023	3	May 26, 2023	—	—	—	—	—	—	—	—	➢ Department of Chemical Engineering, National Cheng Kung University ➢ Chairman of Chemours Taiwan Co., Ltd. ➢ General Manager of Titanium Technology, Greater China Region, Chemours (Shanghai) Co., Ltd.	Note10	—	—	—

Note 1: Chairperson of ALLIED SUPREME Fluoroplastics (Jiaxing) Limited, legal representative of Allied Supreme (Samoa) Corp., legal representative of Allied Supreme (China) Corp. and director of Yung Ching Investment Co., Ltd.

Note 2: Supervisor of ALLIED SUPREME Fluoroplastics (Jiaxing) Limited

Note 3: Chairperson of Shang He Investment Co., Ltd., chairperson of Lu He Investment Co., Ltd., chairperson of Lu Cheng Investment Co., Ltd.

Note 4: Chairperson of Ying Sheng Investment Co., Ltd., chairperson of Xing Ying Investment Co., Ltd. and chairperson of Heng Yao Investment Co., Ltd.

Note 5: CEO of ASC, president of ALLIED SUPREME Fluoroplastics (Jiaxing) Limited, legal representative and president of Aston FluoroTech Corp.

Note 6: Supervisor of Industrial Safety and Health Association of the R.O.C., fluorine chemical technical consultant of GFCL EV Products Limited

Note 7: Independent director of Handa Pharmaceuticals Inc., director of Artintel Investment Corp. and supervisor of Shanghai Luer Information Technology Co., Ltd.

Note 8: President and presiding attorney of ForeFront Intl Law Office.

Note 9: If the chairperson and the president or equivalents (the top managerial officers) of the Company are the same person, each other's spouse or relative within first degree of kinship, the reason, rationality, necessity, countermeasures (such as increasing the number of independent directors and having a majority of directors who are not concurrently serving as employees or managerial officers, etc.) and related information should be described: The Chairperson of the Company is also the President of the Company in order to enhance the operational efficiency and decision execution. However, in order to strengthen the independence of the Board of Directors, the Chairperson closely communicates with the directors on the recent operations and planning approaches of the Company in order to put corporate governance into effect. The Company has also elected nine directors (including three independent directors) at the shareholders' meeting on May 31th, 2022. Additionally, an independent director was elected during the shareholder's meeting held on May 26th, 2023, to enhance the functions of the board of directors and strengthen its supervisory role.

Note 10: An independent director was elected during the shareholder's meeting held on May 26th, 2023.

(II) Major shareholders of directors who are institutional shareholders

Mar 31, 2025

Name of the institutional shareholder	Major Shareholders of Institutional Shareholders
Ying Sheng Investment Co., Ltd.	Su, Ming-Sheng (7.28), Yan, Mei-Wen (4.85%), Chien, Zi-Ai (87.87%)
Shang He Investment Co., Ltd.	Lu He Investment Co., Ltd. (66.67%), Lu Cheng Investment Co., Ltd. (33.33%)

1. Institutional shareholders whose major shareholders are institutional shareholders:

Mar 31, 2025

<u>Name of institutional shareholder</u>	<u>Major shareholders of institutional shareholder</u>
<u>Lu He Investment Co., Ltd.</u>	<u>Chen, Si-Ling (4.1%), Chen, Jou-Yu (95.9%)</u>
<u>Lu Cheng Investment Co., Ltd.</u>	<u>Chen, Si-Ling (4.1%), Chen, Ying-Ying (95.9%)</u>

(III) Disclosure of professional qualifications of directors and independence of independent directors

<div>Conditions</div> <div>Name</div>	Professional qualifications and experience	Status of Independence	Number of publicly listed companies where the person concurrently serves as an independent director
Hou, Chia-Sheng	Chairperson and President of the Company, graduated from the Department of Mechanical Engineering, National Taipei Institute of Technology, formerly the President of the Company's International Business Department and managed the Taoyuan Plant, specializing in chemical industry, machinery manufacturing and business management, with many years of experience in financial analysis and marketing.	(Not applicable)	0
Hsieh, Sheng-Kuo	Director of the Company, graduated from the Department of Chemistry, Tamkang University, formerly the Vice President of the Company, specializing in chemical industry, machinery manufacturing and business management, with many years of experience in production and marketing.	(Not applicable)	0
Shang He Investment Co., Ltd. Representative: Chen, Si-Ling	Director of the Company, graduated from Bei-men Senior High School. She has created her own wedding dress brand in the U.S. and marketed it throughout the U.S., with many years of experience in business management and marketing.	(Not applicable)	0
Ying Sheng Investment Co., Ltd. Representative: Su, Ming-Sheng	Director of the Company, with a degree in M.B.A., University of California, specializing in corporate management, with many years of experience in the treasury and financial business.	(Not applicable)	0

Conditions Name	Professional qualifications and experience	Status of Independence	Number of publicly listed companies where the person concurrently serves as an independent director
Wu, Ming-Yuan	Director of the Company, graduated from the Department of Electrical Engineering, Tamkang University, formerly the Supervisor of the Company, specializing in machinery manufacturing, with many years of experience in business management.	(Not applicable)	0
Li, Yuan-Chung	Director and COO of the Company, graduated from the Department of Chemical Engineering, National Cheng Kung University, formerly the Vice President of ASC, specializing in chemical industry and machinery manufacturing, with many years of experience in business management and marketing.	(Not applicable)	0
Lu, Chien-Jung	Independent Director of the Company, graduated from the Department of Industrial Chemistry, National Tsing Hua University, formerly the Vice President of Formosa Plastics Corporation, Mai Liao Branch Company, President of San Jia Development Construction Co., Ltd., President of Management Department, SanDi Group, specializing in chemical industry and machinery manufacturing, with many years of experience in business management and industrial engineering.	Independent directors of the Company; meet the independence criteria. None of the independent directors is a director, supervisor or employee of the Company, or any other affiliates; nor holds any shares of the Company; and none is a director, supervisor or employee of a company with which the Company has a specific relationship. No remuneration received for the provision of business, legal, financial and accounting services to the Company or its affiliates in the last 2 years.	0
Wang, Kui-Ching	Independent Director of the Company, with a degree in the M.B.A., Michigan State University, formerly the CFO of Ting Hsin (Cayman Island) Holding Corp., CFO of Ho Tung Chemical Corp., Partner of Baring Private Equity Asia Group, with years of experience in corporate management and financial business.		1
Chien, Yu-Kuo	Independent Director of the Company, graduate from the Department of Law, National Taiwan University, formerly legal consultant of Unitech Printed Circuit Board Corp., legal consultant of Abocom Co., Ltd., legal consultant of Yi Hsin Construction Co., Ltd., with many years of legal experience as legal advisor.		0
Chen, Yun-Chang	Independent Director of the Company, graduate from the Department of Chemical Engineering, National Cheng Kung University, formerly the Chairman of Chemours Taiwan Co., Ltd and the General Manager of Titanium Technology, Greater China Region, Chemours (Shanghai) Co., Ltd.		0

Note 1: Professional qualifications and experience: State the professional qualifications and experience of individual directors. If they are members of the audit committee and have accounting or financial expertise, state their accounting or financial background and work experience. In addition, state if there is anything related to Article 30 of the Company Act.

Note 2: Independent directors must state their independence status, including but not limited to, whether they, their spouse or relatives within the second degree of kinship have served as directors, supervisors or employees of the Company, or its affiliates; the number of shares of the Company held; whether they have served as directors, supervisors or employees of a company that has a specific relationship with this Company; and the remuneration received for providing business, legal, financial, accounting and other services to this Company or its affiliates in the last 2 years.

(IV) Diversity and Independence of the Board of Directors.

1. Board Diversity: The Company's Board Diversity Policy is set forth in the Corporate Governance Best Practice Principles approved by the Board of Directors. There are currently 10 directors and the diversity of all directors is as follows:

Of the total number of directors, 20% are employees and 40% are independent directors. The percentage of female directors is 10% and the percentage of male directors is 90%. Age distribution of directors: 10% aged 51~60, 30% aged 61~70 and 60% above aged 71. The members of the Board of Directors of the Company each have rich experiences in different professional fields and industries, which can achieve diversified and complementary effects on the execution of the duties of directors and corporate governance, and the core items of diversity of each director are as follows.

Diversity core Name of Director	Basic composition								Industry experience						Professional competence			
	Nationality	Gender	With employee position	Age		Term of office of independent directors			Chemical industry	Machinery manufacture	Marketing service	Purchasing and supply	Treasury and finance	Information technology	Legal affairs	Accounting	Risk Management	
				51~60	61-70	above 71	Less than 4-6 years	7-9 years										
Hou, Chia-Sheng	Taiwan, R.O.C	M	●		●					●	●	●	○				●	
Hsieh, Sheng-Kuo		M				●				●	●	●					●	
Chen, Si-Ling		F				●					●	●	○				○	
Su, Ming-Sheng		M				●					●	●	●			●	○	
Wu, Ming-Yuan		M				●					●			○			○	
Li, Yuan-Chung		M	●		●					●	●	●	●	○	○			●
Lu, Chien-Jung		M				●	●			●	●	●	●	○	○			●
Wang, Kui-Ching		M				●	●				●	●	●	○	○	●		●
Chien, Yu-Kuo		M		●			●							○		●		○
Chen, Yun-Chang		M			●		●			●	●	●	●	○	○	○		●
Note: ●means capable, ○means partially capable.																		

2. Independence of the Board of Directors: The Board of Directors of the Company consists of 10 directors, including 4 independent directors, and the independent directors account for one-third of all directors and no director is related to each other as a spouse or a relative within the second degree of kinship, or as what is provided in Paragraphs 3, 4, Article 26-3 of the Securities and Exchange Act.

The primary responsibility of the Board of Directors of the Company is to supervise the Company's compliance with the laws, financial transparency, timely disclosure of important information, and to make objective and independent judgments on the Company's finances and business. Therefore, the Board of Directors has met the requirements of the laws at the time of their election, and perform internal self-evaluation by the Board of Directors and self-evaluation by the Board members annually, which are reported to the Board of Directors then disclosed in the Company's Annual Report and website.

- Although the current proportion of female directors on the Board does not yet reach one-third, the Company is committed to the principle of board diversity and will continue to identify and invite qualified candidates to join the Board, with the aim of increasing female representation among its directors.

(V) Information on President, Vice Presidents, Assistant Vice Presidents, and Heads of Departments and Branches

March 31, 2025; Unit: Shares; %

Title	National ity	Name	Gender	Date of taking office	Current Shareholding		Shareholding of spouse and minor children		Shareholding by Nominee arrangement		Key Work and Academic Experience	Current position(s) in other companies	Managerial officers with spouses or relatives with a second degree of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
President (Note1)	Taiwan, R.O.C	Hou, Chia- Sheng	Male	Nov 7 2019	2,827,840	3.54	—	—	—	—	➤ Department of Mechanical Engineering, National Taipei Institute of Technology	➤ Chairman of ALLIED SUPREME Fluoroplastics (Jiaxing) Limited. ➤ Legal representative of Allied Supreme (Samoa) Corp. ➤ Legal representative of Allied Supreme (China) Corp. ➤ Director of Yung Ching Investment Co., Ltd.	—	—	—
CEO	Taiwan, R.O.C	Li, Yuan- Chung	Male	Jun 11 2019	1,228,741	1.54	170,000	0.21	—	—	➤ Department of Chemical Engineering, National Cheng Kung University ➤ Vice President of ASC	➤ President of ALLIED SUPREME Fluoroplastics (Jiaxing) Limited ➤ Legal representative of Aston FluoroTech Corp. ➤ President of Aston FluoroTech Corp.	—	—	—
Production Dep. Vice President	Taiwan, R.O.C	Huang, Yu- Ming	Male	Jan 1 2011	392,558	0.49	186000	0.23	—	—	➤ Department of Chemical Engineering, Kunshan Institute of Technology ➤ Sales Assistant VP of ASC ➤ Sales Assistant Manager of ASC	—	—	—	—
Sales Dep. Senior Manager	Taiwan, R.O.C	Zhuang, Wen- Rong	Male	Jan 1 2022	199,217	0.25	—	—	—	—	➤ Department of Chemical Engineering, Chung Yuan Christian University. ➤ Sales Manager of ASC	—	—	—	—
R&D Dep. Manager	Taiwan, R.O.C	Chang, Zhi-	Male	Mar 1 2020	268,742	0.34	139,000	0.17	—	—	➤ Institute of Chemical Engineering, Yuan Ze University	—	—	—	—

Title	National ity	Name	Gender	Date of taking office	Current Shareholding		Shareholding of spouse and minor children		Shareholding by Nominee arrangement		Key Work and Academic Experience	Current position(s) in other companies	Managerial officers with spouses or relatives with a second degree of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
		Cheng									➤ Plant Manager of ASC ➤ R&D Department Chief of ASC				
Administrative Dep. Assistant Manager	Taiwan, R.O.C	Lin, Min- Hua	Female	Jul 1 2024	14,000	0.02	39,000	0.05	—	—	➤ ChaoYang University EMBA in Management. ➤ Procurement Dep. Chief of ASC	—	—	—	—
CFO	Taiwan, R.O.C	Liu, Yen- Chih	Male	Jul 15 2019	80,000	0.10	—	—	—	—	➤ National Chung Hsing University EMBA in Management. ➤ CFO of Singen Animal Health Industry Co., Ltd. ➤ Finance Manager of Ever Supreme Biotechnology Co., Ltd. ➤ Assistant Manager of KPMG.	Corporate Governance Officer of ASC	—	—	—
AJX Sales Dep. Vice President	China	Chao, Yang- Mao	Male	Jan 1 2023	—	—	1,122,985	1.40	—	—	➤ Chemistry and Chemical Engineering, Shanghai Jiao Tong University ➤ Senior Manager of Sales Department, AJX		—	—	—

Note 1: If the chairperson and the president or equivalents (the top managerial officers) of the Company are the same person, each other's spouse or relative within first degree of kinship, the reason, rationality, necessity, countermeasures (such as increasing the number of independent directors and having a majority of directors who are not concurrently serving as employees or managerial officers, etc.) and related information should be described: The Chairperson of the Company is also the President of the Company in order to enhance the operational efficiency and decision execution. However, in order to strengthen the independence of the Board of Directors, the Chairperson closely communicates with the directors on the recent operations and planning approaches of the Company in order to put corporate governance into effect. The Company has also elected nine directors (including three independent directors) at the shareholders' meeting on May 31, 2022. The Company already added one additional independent director who was elected during the shareholder's meeting held on May 26th, 2023, to enhance the functions of the board of directors and strengthen its supervisory role.

II. Remuneration paid to directors and supervisors for the most recent year (2023).

(I) Remuneration to regular directors and independent directors

Unit: NTD thousand

Title	Name	Remuneration to directors								A, B, C and D as a % to net profit and after tax(%) (Note 1)		Compensation for part-time employees								A, B, C, D, E, F and G as a % of the net profit and after-tax		Remunera- tion received from reinvested businesses or from the parent company
		Remuneratio n (A)		Retirement benefits (B)		Remuneration for directors (C)		Business execution expenses (D)				Salary, bonus, special expenses, etc. (E)		Retirement benefits (F)		Remuneration to employees (G)						
		The Company	All companie s in the financial statemen s	The Company	All companie s in the financial statemen s	The Company	All companie s in the financial statemen s	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All compani es in the financial statemen ts	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
																Cash amount	Stock amount	Cash amount	Stock amount			
Chairman	Hou, Chia-Sheng	294	935	—	—	33,843	33,843	—	—	34,137 1.97%	34,778 2.00%	12,395	18,035	—	—	13,691	—	13,691	—	60,223 3.48%	66,504 3.84%	—
Director	Hsieh, Sheng-Kuo																					
Director	Ying Sheng Investment Co., Ltd. Company representative: Su, Ming-Sheng																					
	Shang He Investment Co., Ltd. Company representative: Chen, Si-Ling																					
	Director																					
Director	Li, Yuan-Chung																					
Independent Director	Lu, Chien-Jung	3,000	3,000	—	—	—	—	10	10	3,010 0.17%	3,010 0.17%	—	—	—	—	—	—	—	—	3,010 0.17%	3,010 0.14%	—
	Wang, Kui-Ching																					
	Chien, Yu-Kuo																					
	Chen, Yun-Chang																					
1.Please describe the policy, system, criteria and structure for the remuneration for independent directors, and the correlation to the amount of remuneration in terms of their responsibilities, risks, time spent and other factors: In accordance with the "Regulations Governing the Establishment and Retirement of Directors and Managerial Officers," the Company proposed a fixed remuneration package for independent directors by taking into account the industry standards as well as the time commitment and responsibilities of the independent directors, which was approved by the Board of Directors. Independent directors do not participate in the annual remuneration appropriated for directors. 2.Except as disclosed above, the remuneration for the Company directors for providing services to all companies in the financial statements (such as serving as a non-employee consultant, etc.) in the last year: None.																						

Table of remuneration ranges

Remuneration ranges for the Company directors	Name of Director			
	Total amount of the first four remunerations (A+B+C+D)		Total amount of the first seven remunerations (A+B+C+D+E+F+G)	
	The Company	In Financial Report All companies (H)	The Company	In Financial Report All companies (I)
Less than NT\$1,000,000	Lu, Chien-Jung/Wang, Kui-Ching, Chien, Yu-Kuo/Chen, Yun-Chang	Lu, Chien-Jung/Wang, Kui-Ching, Chien, Yu-Kuo/Chen, Yun-Chang	Lu, Chien-Jung/Wang, Kui-Ching, Chien, Yu-Kuo/Chen, Yun-Chang	Lu, Chien-Jung/Wang, Kui-Ching, Chien, Yu-Kuo/Chen, Yun-Chang
NT\$1,000,000 (inclusive)~ NT\$2,000,000 (exclusive)	—	—	—	—
NT\$2,000,000 (inclusive)~ NT\$3,500,000 (exclusive)	—	—	—	—
NT\$3,500,000 (inclusive)~ NT\$5,000,000 (exclusive)	—	—	—	—
NT\$5,000,000 (inclusive)~ NT\$10,000,000 (exclusive)	Hou, Chia-Sheng/Hsieh, Sheng-Kuo Wu, Ming-Yuan/Li, Yuan-Chung Shang He Investment Co., Ltd Representative: Chen, Si-Ling Ying Sheng Investment Co., Ltd Representative: Su, Ming-Sheng	Hou, Chia-Sheng/Hsieh, Sheng-Kuo Wu, Ming-Yuan/Li, Yuan-Chung Shang He Investment Co., Ltd Representative: Chen, Si-Ling Ying Sheng Investment Co., Ltd Representative: Su, Ming-Sheng	Hsieh, Sheng-Kuo/Wu, Ming-Yuan Shang He Investment Co., Ltd Representative: Chen, Si-Ling Ying Sheng Investment Co., Ltd Representative: Su, Ming-Sheng	Hsieh, Sheng-Kuo/Wu, Ming-Yuan Shang He Investment Co., Ltd Representative: Chen, Si-Ling Ying Sheng Investment Co., Ltd Representative: Su, Ming-Sheng
NT\$10,000,000 (inclusive)~ NT\$15,000,000 (exclusive)	—	—	—	—
NT\$15,000,000 (inclusive)~ NT\$30,000,000 (exclusive)	—	—	Hou, Chia-Sheng/Li, Yuan-Chung	Hou, Chia-Sheng/Li, Yuan-Chung
NT\$30,000,000 (inclusive)~ NT\$50,000,000 (exclusive)	—	—	—	—
NT\$50,000,000 (inclusive)~ NT\$100,000,000 (exclusive)	—	—	—	—
Above NT\$100,000,000	—	—	—	—
Total	10 people	10 people	10 people	10 people

(II) Remuneration to president and vice president

Unit: Thousands of NTD; %

Title	Name	Salary (A)		Retirement benefits (B)		Bonus and special allowance (C)		Amount of employee compensation (D)				A, B, C and D as a % to net profit and after tax(%)		Remuneration received from reinvested businesses or from the parent company
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
								Cash amount	Stock amount	Cash amount	Stock amount			
President	Hou, Chia-Sheng	14,056	23,865	—	—	2,273	4,972	18,775	—	18,775	—	35,104 2.03%	47,612 2.75%	—
Chief Executive Officer	Li, Yuan-Chung													
Vice President	Huang, Yu-Ming													
Vice President	Chao, Yang-Mao													

Table of remuneration ranges

Remuneration ranges for the president and vice president of the Company	Name of President and Vice Presidents	
	The Company	All companies in the financial statements (E)
Less than NT\$1,000,000	Chao, Yang-Mao	—
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)	—	—
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	—	—
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	—	—
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	Huang, Yu-Ming	Huang, Yu-Ming Chao, Yang-Mao
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	Hou, Chia-Sheng Li, Yuan-Chung	—
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	—	Hou, Chia-Sheng Li, Yuan-Chung
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)	—	—
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)	—	—
Above NT\$100,000,000	—	—
Total	4 people	4 people

(III) The name of the managerial officer who received remuneration to employees and the status of the distribution:

Unit: Thousands of NTD; %

	Title	Name	Stock amount	Cash amount	Total	Total amount as a % of the net profits after-tax (%)
Managerial officer	President	Hou, Chia-Sheng	—	24,991	24,991	1.44
	CEO/Spokesperson	Li, Yuan-Chung				
	Vice President of the Production Department	Huang, Yu-Ming				
	Senior Manager of the Sales Department	Zhuang, Wen-Rong				
	CFO/Corporate Governance Officer	Liu, Yen-Chih				

Note 1: The amount of employee remuneration (including stock and cash) received by managerial officers in the last year should be disclosed as approved by the Board of Directors. If the amount cannot be estimated, the proposed payment amount for this year should be calculated in proportion to the actual payment amount last year. Net income after tax refers to the net income after tax as in the standalone or individual financial report in the last year.

- Compare and describe the total remuneration paid to the directors, supervisors, presidents and vice presidents in the last 2 years by the Company, and all companies in the standalone or individual financial statements as a % of the net profit after tax, and explain the policies, criteria, combination, the procedures for determining remuneration and the correlation to operating performances and future risks.
 - (1) Analysis of the total remuneration paid to the Company's directors, supervisors, presidents and vice presidents as a percentage of net profit after tax in the standalone or individual financial statements for the last two years by the Company and all companies in the consolidated statements.

Unit: Thousands of NTD; %

Item	2023		2024	
	The Company	Consolidated statements	The Company	Consolidated statements
Total remuneration to directors	34,447	35,094	37,147	37,788
Total remuneration to directors as a percentage of net profit after tax (%)	2.05	2.09	2.14	2.18
Total remuneration to supervisors	—	—	—	—
Total remuneration to supervisors as a percentage of net profit after tax (%)	—	—	—	—
Total remuneration to presidents and vice presidents	35,116	45,920	35,104	47,612
Total remuneration to presidents and vice presidents as a percentage of net profit after tax (%)	2.09	2.73	2.03	2.75

2. The Company's policy, criteria and composition for the payment of remuneration to directors, supervisors, presidents and vice presidents, the procedures for determining remuneration, and the correlation with operating performance and future risks.

(1) Directors and supervisors

The remuneration to directors and supervisors is based on the Company's Articles of Incorporation and no more than 3% of the Company's profit for the year (*i.e.*, profit before tax and remuneration to employees and directors and supervisors) shall be appropriated as the remuneration to directors and supervisors, while independent directors shall not participate in the distribution of remuneration to directors and supervisors.

(2) Presidents, CEO and vice presidents

The remuneration to Presidents, CEO and Vice Presidents consists of salary, bonus and remuneration to employees. The salary level is determined based on the position held, the responsibility assumed and the contribution to the Company, and with reference to the industry standards. The distribution of remuneration to employees is in accordance with the standards set forth in the Company's Articles of Incorporation and is submitted to the Board of Directors for approval before distribution.

In summary, the Company's policy and procedures for the payment of remuneration to directors, CEO, president and vice presidents are as follows: In addition to the basic salary, other incentives are positively correlated with the operating performance, and the amount of payment is disclosed in accordance with laws and regulations.

III. Operation of Corporate Governance

(I) Operations of the Board of Directors

The Company's Board of Directors met 8 times in 2024 and the attendance of directors was as follows:

Title	Name	Number of times of attendance in person	Number of times of attendance by proxy	Actual Attendance Rate (%)	Note
Chairman	Hou, Chia-Sheng	8	0	100%	
Director	Li, Yuan-Chung	8	0	100%	
Director	Hsieh, Sheng-Kuo	8	0	100%	
Director	Ying Sheng Investment Co., Ltd. Representative: Su, Ming-Sheng	8	0	100%	
Director	Shang He Investment Co., Ltd. Representative: Chen, Si-Ling	7	1	88%	
Director	Wu, Ming-Yuan	8	0	100%	
Independent Director	Lu, Chien-Jung	7	0	88%	
Independent Director	Wang, Kui-Ching	8	0	100%	
Independent Director	Chien, Yu-Kuo	8	0	100%	
Independent Director	Chen, Yun-Chang	8	0	100%	

Other items to be recorded:

1. Where the operation of the Board of Directors' meeting is subject to any one of the following conditions, the date, session, proposal content, opinions of all independent directors and the handling of the company to the opinions of independent directors shall be described:

(1) Matters specified in Article 14-3 of Securities and Exchange Act:

Board of Directors	Motion content and follow-up processing	Matters specified in Article 14-3 of Securities and Exchange Act	Objections or reservations by independent directors
10 th term FY2024 2 nd session Mar 8 th , 2024	1. Proposal for the assessment of the effectiveness of the company's internal control system for the year 2023 and the internal control statement.	✓	None.
	2. Proposal for the distribution of employee compensation and director remuneration for the year 2023.	✓	None.

		3. Proposal for the independence, suitability, appointment, and remuneration of the certified public accountant for the year 2024.	√	None.
		4. Discussion on whether the overdue accounts receivable as of December 31, 2023, are classified as loans to others.	√	None.
		Opinion of the Independent Director: None.		
		Company's Response to the Independent Director's Opinion: None.		
		Resolution Result: The motion was approved as proposed with the unanimous consent of all attending directors after being consulted by the Chair.		
	10 th term FY2024 3rd session Apr 9 th , 2024	1. Proposal for the distribution of internal personnel compensation for the year 2023.	√	None.
		Opinion of the Independent Director: None.		
		Company's Response to the Independent Director's Opinion: None.		
		Resolution Result: The motion was approved as proposed with the unanimous consent of all attending directors after being consulted by the Chair.		
	10 th term FY2024 4th session Apr 22 th , 2024	1. Proposal to provide a guarantee endorsement for the company's subsidiary, Aston Fluorotech Corp.	√	None.
		Opinion of the Independent Director: None.		
		Company's Response to the Independent Director's Opinion: None.		
		Resolution Result: The motion was approved as proposed with the unanimous consent of all attending directors after being consulted by the Chair.		
	10 th term FY2024 5th session May 9 th , 2024	1. Discussion on whether the overdue accounts receivable as of March 31, 2024, are classified as loans to others.	√	None.
		Opinion of the Independent Director: None.		
		Company's Response to the Independent Director's Opinion: None.		
		Resolution Result: The motion was approved as proposed with the unanimous consent of all attending directors after being consulted by the Chair.		
	10 th term FY2024 6th session Aug 8 th , 2024	1. Discussion on whether the overdue accounts receivable as of June 30, 2024, are classified as loans to others.	√	None.
		2. Proposal to provide a guarantee endorsement for the company's subsidiary, ALLIED SUPREME (Jia Xing) CORP.	√	None.
		Opinion of the Independent Director: None.		
		Company's Response to the Independent Director's Opinion: None.		
		Resolution Result: The motion was approved as proposed with the unanimous consent of all attending directors after being consulted by the Chair.		
	10 th term FY2024 7th session Nov 8 th , 2024	1. Discussion on whether the overdue accounts receivable as of September 30, 2024, are classified as loans to others.	√	None.
		Opinion of the Independent Director: None.		
		Company's Response to the Independent Director's Opinion: None.		
		Resolution Result: The motion was approved as proposed with the		

	unanimous consent of all attending directors after being consulted by the Chair.		
10 th term FY2024 8th session Dec 25 th , 2024	1. Amendments to certain provisions of the company's "Internal Control System" and "Internal Audit System."	✓	None.
	2. Formulating the 2025 Audit Plan for the company and its subsidiaries, Allied Supreme (Jia Xing) Corp. and Aston FluoroTech Corp.	✓	None.
	3. Proposal for the 2025 salary adjustment for executives of the company and its subsidiary, Allied Supreme (Jia Xing) Corp.	✓	None.
	Opinion of the Independent Director: None.		
	Company's Response to the Independent Director's Opinion: None.		
	Resolution Result: The motion was approved as proposed with the unanimous consent of all attending directors after being consulted by the Chair.		

(2) In addition to the previous matters, other board meeting resolutions that have been opposed or reserved by independent directors with records or written statements: No such case.

2. The implementation of the director's recusal of the proposal of interest shall state the name of the director, the content of the proposal, the reason for the recusal of interest and the circumstances of participation in voting:

Name of Director	Agenda	Reason for recusal of conflict of interest	Voting participation status
Hou, Chia-Sheng Li, Yuan-Chung	Proposal for the distribution of internal personnel compensation for the year 2023.	Also Serving as a Manager of the Company	The Chairman appointed Director Hsieh, Sheng-Kuo as the acting chair for this matter. Except for two directors who recused themselves from the vote in accordance with the law, the proposal was approved as presented with the consent of the remaining eight attending directors, as confirmed by the acting chair.
Lu, Chien-Jung Wang, Kui-Ching Chien, Yu-Kuo	Proposal for the 2025 salary adjustment for executives of the company and its subsidiary, Allied Supreme (Jia Xing) Corp.	Also Serving as a Manager of the Company and Its Subsidiaries	Except for three directors who recused themselves from the vote in accordance with the law, the proposal was approved as presented with the consent of the remaining six attending directors, as confirmed by the acting chair.

3. Evaluation of the Board of Directors

The Company conducted the evaluation of the Board of Directors for 2024 and disclosed in the report of the Board of Directors' meeting on March 7, 2025.

Evaluation frequency	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Performed once a year	January 1 to December 31 of the evaluation year	The entire Board of Directors Individual Board member Functional Committees	1. Internal self-evaluation of the Board of Directors. 2. Self-evaluation of the board members. 3. External professional organizations and experts shall be appointed every three years for evaluation.	Performance evaluation of the Board of Directors: at least including participation in the Company's operations, enhancement of the decision-making quality of the Board, composition and structure of the Board, selection and continuing education of directors, internal control, etc. Performance evaluation of individual Board members: at least including: alignment of the Company's objectives and missions, the directors' awareness of their duties, their participation in the Company's operations, management of internal relationship and communication, the directors' professionalism and continuing education, internal control, etc. Performance evaluation of functional committees: participation in the Company's operations, awareness of the duties of the functional committee, enhancement of the decision-making quality of the functional committee's decisions, composition

				and selection of functional committee members, internal control, etc.
<p>4. Goals for establishment of and execution status evaluation on the enhancement of functions of the Board of Directors for the current year and the most recent year:</p> <p>(1) Structure of the Board of Directors</p> <p>The composition of the Board of Directors of the Company is diverse and in line with the development needs of the Company, and each director and independent director has a complete and rich educational background as well as experiences, enabling the Board of Directors of the Company to perform its functions of management decision making and leadership supervision well. The "Procedures for Election of Directors" stipulate that the election of directors and independent directors shall be based on a cumulative voting system and a candidate nomination system, whereby shareholders holding above a certain number of shares may propose a list of candidates. with fair and transparent accepting process to enhance the opportunities for small shareholders to participate and protect the interests of investors, while avoiding monopoly of nomination rights or excessive floating. In addition, a by-election procedure for director vacancies is added to prevent the partial or total dismissal of directors and independent directors from affecting the execution and supervision of the Company's business. In addition, the independent operation and transparency of the Board of Directors should be emphasized, and directors and independent directors are all independent individuals who exercise their respective duties and responsibilities independently. The Company has also established a performance evaluation system of the Board of Directors to enhance the efficiency of the operations of the Board of Directors and to improve the functions of the Board of Directors. In accordance with the "Regulations for Performance Evaluation of the Board of Directors and Functional Committees," the Board of Directors conducts internal self-evaluation and self-evaluation of the Board members once a year, and assigns an external professional and independent organization or a team of external experts and scholars to conduct external performance evaluation once every three years.</p> <p>(2) Independent director system</p> <p>The number, qualifications, and exercise of the authorities of the independent directors of the Company are expressly set forth in the "Articles of Incorporation" and the "Rules Governing the Scope of Responsibilities of Independent Directors." The Company has also elected nine directors (including three independent directors) at the shareholders' meeting on May 31, 2022, and at the shareholders' regular meeting on May 26, 2023, one additional independent director was elected, bringing the number of independent directors to four. And has given them the right to participate in decision-making and express their opinions in accordance with the Securities and Exchange Act and other regulations.</p> <p>(3) Establishment of Audit Committee</p> <p>In accordance with Article 14-4 of the Securities and Exchange Act, the Company established an audit committee to replace the supervisors. The audit committee is composed of three independent directors with financial or business-related expertise and experience. The "Audit Committee Charter" stipulates the authority of the Audit Committee to exercise its duties independently to ensure the effective implementation of the Company's internal control, and the preparation of financial statements.</p> <p>(4) Establishment of the Salary and Remuneration Committee</p> <p>In accordance with Article 14-6 of the Securities and Exchange Act, the Company</p>				

established the "Salary and Remuneration Committee Organization Charter," and completed the appointment of the Salary and Remuneration Committee members. The Committee is a professional and objective unit that evaluates matters related to the remuneration to directors and managerial officers of the Company, and makes recommendations to the Board of Directors for its reference in making decisions.

- (5) The Company regularly arranges annual refresher courses for directors to enhance their legal knowledge on topics related to corporate governance.
5. As of the date of publication of the Annual Report, the Company has held one Board meeting in 2025 and all directors (including independent directors) were present in person.

(II) Operations of the Audit Committee

The Audit Committee met 6 times in 2024 and the attendance of independent directors is as follows:

Title	Name	Number of times of attendance in person	Number of times of attendance by proxy	Actual Attendance Rate (%)	Note
Independent Director	Wang, Kui-Ching	6	0	100%	
Independent Director	Lu, Chien-Jung	5	0	83%	
Independent Director	Chien, Yu-Kuo	6	0	100%	
Independent Director	Chen, Yun-Chang	6	0	100%	

Other items to be recorded:

- The responsibilities of the Audit Committee and the focus of its work in 2024 were mainly on the following matters:
 - The annual financial statements signed or sealed by the chairperson, managerial officer and accounting officer.
 - Establish or amend the internal control system and the assessment of the effectiveness of the internal control system.
 - Establish or amend the procedures for handling significant financial transactions involving the acquisition or disposal of assets, derivative transactions, lending of funds to others, or endorsement or guarantee for others.
 - Matters involving directors' own interests.
 - Significant asset or derivative transactions.
 - Significant lending of funds, endorsements or guarantees
 - The raising, issuance or private placement of marketable securities of an equity nature.
 - The appointment, dismissal or compensation of attesting CPAs.
 - Appointment or removal of finance, accounting or internal audit officers.
 - Other significant matters stipulated by the Company or the competent authorities.
- Where the operations of the Audit Committee meeting are subject to any one of the following conditions, the date, session, proposal content, Audit Committee meeting resolution results and the handling of the company to the opinions of Audit Committee shall be described:
 - Matters listed in Article 14-5 of the Securities and Exchange Act:
 - In addition to the previous matters, other matters that have not been approved by the Audit Committee but approved by more than two-thirds of all directors:

AUDIT COMMITTEE	MOTION CONTENT AND FOLLOW-UP PROCESSING	MATTERS SPECIFIED IN ARTICLE 14-5 OF THE SECURITIES AND EXCHANGE ACT	MATTERS THAT HAVE NOT BEEN APPROVED BY THE AUDIT COMMITTEE BUT APPROVED BY MORE THAN TWO-THIRDS OF ALL DIRECTORS:
2nd term 11th session Mar 8, 2024	1. Proposal for the assessment of the effectiveness of the company's internal control system for the year 2023 and the internal control statement.	√	None.
	2. Proposal for the company's 2023 annual business report and financial statements.	√	None.

		3. Proposal for the distribution of earnings for the year 2023.	√	None.
		4. Proposal for the independence, suitability, appointment, and remuneration of the certified public accountant for the year 2024.	√	None.
		5. Discussion on whether the overdue accounts receivable as of December 31, 2023, are classified as loans to others.	√	None.
		Audit Committee Resolution: All attending committee members agreed to approve the proposal as presented.		
		Company's Response to the Audit Committee's Opinion: None.		
	2nd term 12th session Apr 24, 2024	1. Proposal to provide a guarantee endorsement for the company's subsidiary, Aston Fluorotech Corp.	√	None.
		Audit Committee Resolution: All attending committee members agreed to approve the proposal as presented.		
		Company's Response to the Audit Committee's Opinion: None.		
	2nd term 13th session May 9, 2024	1. Proposal for the financial statements for the first quarter of the 2024 fiscal year.	√	None.
		2. Discussion on whether the overdue accounts receivable as of March 31, 2024, are classified as loans to others.	√	None.
		Audit Committee Resolution: All attending committee members agreed to approve the proposal as presented.		
		Company's Response to the Audit Committee's Opinion: None.		
	2nd term 14th session Aug 8, 2024	1. The company's proposal for the financial statements for the second quarter of the 2024 fiscal year.	√	None.
		2. Discussion on whether the overdue accounts receivable as of June 30, 2024, are classified as loans to others.	√	None.
		3. Proposal to provide a guarantee endorsement for the company's subsidiary, ALLIED SUPREME (Jia Xing) CORP.	√	None.
		Audit Committee Resolution: All attending committee members agreed to approve the proposal as presented.		
		Company's Response to the Audit Committee's Opinion: None.		
	2nd term 15th session Nov 8, 2024	1. The company's proposal for the 2023 Sustainability Report.	√	None.
		2. Discussion on whether the overdue accounts receivable as of September 30, 2024, are classified as loans to others.	√	None.
		Audit Committee Resolution: All attending committee members agreed to approve the proposal as presented.		
		Company's Response to the Audit Committee's Opinion: None.		
	2nd term 16th session Dec 25, 2024	1. Amendments to certain provisions of the company's "Internal Control System" and "Internal Audit System."	√	None.
		2. Formulating the 2025 Audit Plan for the company and its subsidiaries, Allied Supreme (Jia Xing) Corp. and Aston FluoroTech Corp.	√	None.
		Audit Committee Resolution: All attending committee members agreed to approve the proposal as presented.		

	Company's Response to the Audit Committee's Opinion: None.																									
3.	The implementation of the independent Director's recusal of the proposal of interest shall state the name of the independent Director, the content of the proposal, the reason for the recusal of interest and the circumstances of participation in voting: There was no motion involving conflict of interest this year, therefore, it is not applicable.																									
4.	<p>Communication between independent directors and internal/external auditors (e.g., discussions concerning the Company's financial and business affairs, the method of communication used, and the outcome):</p> <p>The Company's attesting CPAs and internal auditors report to the independent directors, through the Audit Committee, the results of their audits (reviews) of the Company's annual and semi-annual financial statements, the operations of the internal control system, etc. The independent directors are allowed to communicate fully with the CPAs and internal auditors in person during the meetings, so as to understand the Company's operating conditions for proper supervision. In addition to the quarterly meetings of the Audit Committee, independent directors also maintain contact and interaction with CPAs and auditors through electronic communication on a regular basis. Communication between Independent Directors, and Internal Audit Officer and CPAs during 2024 are as follows:</p> <p>(1) Communication between independent directors and internal audit officer:</p> <table> <tr> <th>Date</th><th>Content of communication</th><th>Suggestions:</th></tr> <tr> <td>March 8, 2024</td><td>1.The internal control self-assessment report for the year 2023. 2.The internal control system statement for the 2023. 3.Summary report (2023/10~2024/1) on the performance of internal audit business.</td><td>Nil</td></tr> <tr> <td>May 9, 2024</td><td>1. Summary report (2024/2~2024/3) on the performance of internal audit business.</td><td>Nil</td></tr> <tr> <td>Aug 8, 2024</td><td>1.Summary report (2024/4~2024/6) on the performance of internal audit business.</td><td>Nil</td></tr> <tr> <td>Dec 25, 2024</td><td>1. Amendment to the Company's [Sustainable Information Management Regulations]." 2. "Amendment to the Company's [Internal Control and Internal Audit System]." 3. 2025 the Company's Risk Assessment and Audit Plan." 4. Summary report (2024/7~2024/12) on the performance of internal audit business.</td><td>Nil</td></tr> </table> <p>(2) Communication between the independent directors and CPAs</p> <table> <tr> <th>Date</th><th>Content of communication</th><th>Suggestions:</th></tr> <tr> <td>Mar 8, 2024</td><td>1. The accountant will provide an overview of the audit status of the individual financial statements and consolidated financial statements for the year 2023. 2. The accountant will present a report on the results of the key audit matters. 3. The accountant will discuss and communicate with attendees regarding their inquiries. 4. Matters related to communication requirements under relevant laws and regulations. 5. Independence in auditing.</td><td>Nil</td></tr> <tr> <td>Dec 25, 2024</td><td>1. Quality management system of accounting firm and AQI Information report . 2. Scope and methods of audit for the year 2024. 3. Significant risks and key audit matters. 4. Overview of sustainable compliance requirements and progress. 5. Updates on securities regulatory tax laws.</td><td>Nil</td></tr> </table>		Date	Content of communication	Suggestions:	March 8, 2024	1.The internal control self-assessment report for the year 2023. 2.The internal control system statement for the 2023. 3.Summary report (2023/10~2024/1) on the performance of internal audit business.	Nil	May 9, 2024	1. Summary report (2024/2~2024/3) on the performance of internal audit business.	Nil	Aug 8, 2024	1.Summary report (2024/4~2024/6) on the performance of internal audit business.	Nil	Dec 25, 2024	1. Amendment to the Company's [Sustainable Information Management Regulations]." 2. "Amendment to the Company's [Internal Control and Internal Audit System]." 3. 2025 the Company's Risk Assessment and Audit Plan." 4. Summary report (2024/7~2024/12) on the performance of internal audit business.	Nil	Date	Content of communication	Suggestions:	Mar 8, 2024	1. The accountant will provide an overview of the audit status of the individual financial statements and consolidated financial statements for the year 2023. 2. The accountant will present a report on the results of the key audit matters. 3. The accountant will discuss and communicate with attendees regarding their inquiries. 4. Matters related to communication requirements under relevant laws and regulations. 5. Independence in auditing.	Nil	Dec 25, 2024	1. Quality management system of accounting firm and AQI Information report . 2. Scope and methods of audit for the year 2024. 3. Significant risks and key audit matters. 4. Overview of sustainable compliance requirements and progress. 5. Updates on securities regulatory tax laws.	Nil
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(III) Operation of Corporate Governance and the Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof

Assessment item	Participation status			Discrepancies with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
I. Has the Company formulated and disclosed its corporate governance practice principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?"	V		The Company has formulated the "Corporate Governance Best Practice Principles" with reference to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and by considering the practical operations of the Company, and has disclosed a variety of information in accordance with the relevant laws and regulations to protect the rights and interests of investors, stakeholders and employees.	No difference
II. Shareholding structure and shareholders' equity				
i. Has the Company established internal procedures to deal with shareholders' proposals, questions, disputes and litigation matters, and implemented them in accordance with the procedures?	V		i. The Company has a spokesperson and an acting spokesperson in accordance with the "Corporate Governance Best Practice Principles" to handle shareholder proposals, questions and disputes.	
ii. Does the Company have a list of the major shareholders and the ultimate controllers of the major shareholders who effectively control the Company?	V		ii. The Company's major shareholders are mostly the management team and long-term shareholders. The Company keeps track of the shareholdings of major shareholders and directors, and regularly reports changes in the shareholdings of directors, managerial officers and shareholders holding 10% or more of the equity.	
iii. Has the Company established and implemented a risk control and firewall mechanism with its affiliates?	V		iii. The Company and its affiliates operate independently. and have established the relevant controls in the internal control system and the "Regulations Governing the Management of Subsidiaries."	No difference.
iv. Has the Company established internal regulations to prohibit insiders from trading marketable securities using undisclosed information in the market?	V		iv. The Company has established the "Regulations for Processing Material Inside Information" and the "Management for Insider Reporting" to prohibit insiders, such as directors or employees, from trading marketable securities by using non-public information, and the relevant regulations have been disclosed on the Company's website. The directors of the Company attend courses on corporate governance and insider compliance held by outside organizations from time to time to acquire relevant knowledge. In addition, the Company provides insider trading related education information (including the laws, regulations, and case studies) to	

Assessment item	Participation status			Discrepancies with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
(II) Has the Company voluntarily established any functional committees other than the Remuneration Committee and Audit Committee in accordance with the law?	V		the Annual Report. (II) Under study and discussion. The Company will consider the matter as necessary.	
(III) Has the Company established the evaluation guidelines and methods for the Board of Directors' performance, for the regular annual performance evaluation; as well as presents the outcome of such evaluations to be applied to the remuneration to each director and their re-election nominations?	V		(III) The Company has established the "Regulations for Performance Evaluation of the Board of Directors and Functional Committees," which were approved by the Board of Directors on December 22, 2020 and then implemented. The Regulations stipulate that the members of the Board of Directors and functional committees are required to complete the "Board of Directors Performance Self-Evaluation Questionnaire," "Board Members Self-Evaluation Questionnaire" and "Functional Committee Performance Self-Evaluation Questionnaire," respectively, for internal performance evaluation by the end of the first quarter of the following year after the end of each year. In addition, Article 2 of the Regulations stipulates that external performance evaluation shall be conducted at least once every three years. The evaluation results shall serve as the reference for electing or nominating Directors, as well as the reference for determining the remuneration of individual Directors. The performance evaluation of the Company's Board of Directors shall include at least the following five major aspects: 1. Participation in the Company's operations 2. Enhancement of the decision-making quality of the Board 3. Composition and structure of the Board 4. Selection and continuing education of directors 5. Internal control The performance evaluation of directors shall include at least the following six major aspects: 1. Alignment of the Company's objectives and missions 2. Directors' awareness of their duties 3. Participation in the Company's operations 4. Management of internal relationship and communication 5. The director's professionalism and continuing education 6. Internal control	No difference.

Assessment item	Participation status			Discrepancies with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
			<p>The performance evaluation of functional committees shall include at least the following five major aspects:</p> <ol style="list-style-type: none"> 1.Participation in the Company's operations 2.Awareness of the duties of the functional committee. 3.Enhancement of decision-making quality of the functional committee. 4.Composition and selection of functional committee and election members 5. Internal control <p>After the directors and functional committees have completed the questionnaires, the executive unit of the Board of Directors will collect and tally the scores. The internal evaluation for 2024 has been completed, and the scores of the Board of Directors, individual board members and functional committees are all above 93, and the performance has been evaluated as good with no necessity for improvement. The evaluation results were reported to the Board of Directors on March 7, 2025.</p>	
(IV) Does the Company regularly evaluate the independence of the attesting CPAs?	V		<p>(IV) The auditing committee obtained a copy of the independent statement and Audit Quality Indicators that issued by the CPA firm, and the Board of Directors annually establishes the items to evaluate the independence of the CPAs in accordance with the "The Norm of Professional Ethics for Certified Public Accountant of the Republic of China: Integrity, Impartiality, Objectivity and Independence" of the National Federation of CPA Associations of ROC, which includes: (a) The audit team members and their spouses as well as dependent relatives shall not hold direct or indirect material financial interests in the Company. (b) The audit team members and their spouses as well as dependent relatives shall not have a business relationship with the Company, or its directors or managerial officers, that would affect independence. (c) During audit period, no members of the audit team, their spouses as well as dependent relatives shall hold the positions of directors or managerial officers of the Company, or have a direct and material influence on the audit. (d) No members of the audit team shall be related to directors or managerial officers of the Company as spouses, lineal relatives by blood or by marriage, or relatives within 2nd degree of kinship. (e) No members of the audit team shall receive gifts or presents of significant value from the Company or its</p>	No difference.

Assessment item	Participation status			Discrepancies with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
			directors, managerial officers or major shareholders (the value of which shall not exceed the standards of normal social etiquette). (f) Members of the audit team have performed the necessary independence/conflict of interest procedures and no breach of independence or unresolved conflict of interest has been identified As confirmed by the Company's Board of Directors on March 8th, 2024, the CPAs have no financial interest or business relationship with the Company other than professional fees for attestation and tax cases, and members of the CPAs' family backgrounds do not violate the independence requirements, and meet the Company's independence evaluation criteria to qualify as the Company's attesting CPAs.	
IV. Does the listed company have a suitable and appropriate number of corporate governance personnel, and designated a corporate governance officer to be responsible for corporate governance related matters (including but not limited to providing information necessary for directors to perform their business, assisting directors and supervisors to comply with the relevant laws and regulations, conducting Board and Shareholders' meeting related matters in accordance with the law, preparing minutes of Board and shareholders' meetings, etc.)?	V		<p>On July 10, 2020, the Board of Directors passed the resolution appointing the CFO, Liu, Yen-Chih as the Corporate Governance Officer. Liu shall be in charge of corporate governance matters, subject to the supervision of the Chairperson and the Board. The CFO, Liu, Yen-Chih serves as the Head of Accounting of the Company. He has work experience serving as the head of financial accounting or audit in a public listing company for over three years, satisfying the position as Head of Corporate Governance of the Company.</p> <p>According to the scope of responsibilities, the Head of Corporate Governance conducts his duty. In 2024, the main responsibilities and performance status were as follows:</p> <ol style="list-style-type: none"> I. Provided information for the Board to perform their duties and arranged the Directors' continuing education. II. Provided information concerning the latest regulation development for the Board to perform their duties, so as to assist them in legal compliance matters. III. Studied and planned for the appropriate corporate systems and organization structure to promote the board's independence, transparency and legal compliance. IV. The Board first consulted with its members pertaining to the planning before preparing the agenda. All Board members were notified at least seven days before the Board meeting. Furthermore, sufficient information of the meeting and a description of each resolution was provided to facilitate the Directors' understanding regarding the resolutions. The minutes were completed 20 days after the Board meeting. 	No difference

Assessment item	Participation status			Discrepancies with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
			<p>V. Each year, the general shareholders' meeting shall be registered within the time period required by the law. The meeting notice, meeting handbook and meeting agenda shall be prepared and applied for before the time period. After amendments made to Articles of Incorporation or the Board of Directors are re-elected, a change of registration shall be submitted.</p> <p>VI. In accordance with the performance indicators of the corporate governance evaluation system, the information on corporate governance was improved.</p> <p>VII. Paid attention to information transparency and symmetry to ensure shareholders' interest.</p> <p>In addition, the Corporate Governance Officer completed a total of 15 hours of training in 2024. Please refer to page 34 of the Annual Report (Table 2).</p>	
V. Has the company established communication channels with stakeholders (including but not limited to shareholders, employees, customers and suppliers, etc.), set up a stakeholder area on the company's website and appropriately responded to important CSR (corporate social responsibility) issues of concern to stakeholders?	V		The Company has set up a stakeholder section on its website, including employees, customers, suppliers, investors, etc. The Company has also set up communication channels through designated windows by the stakeholder group to continuously listen to the feedback of stakeholders and understand their concerns, so as to properly respond to the issues of concern to stakeholders.	No difference
VI. Has the Company commissioned professional stock agency institution to handle shareholders' meeting affairs?	V		The Company has appointed a professional stock affairs agency, Yuanta Securities Co., Ltd., to handle shareholders' meetings.	No difference
VII. Information Disclosure				
i. Has the Company set up a website to disclose financial and corporate governance information?	V		i. The Company has set up the website (https://www.alliedsupreme.com) to regularly disclose and update information related to the Company's finance and business as well as corporate governance.	No difference
ii. Has the Company adopted other methods of information disclosure (e.g., setting up an	V		ii. The Company has a dedicated staff responsible for information collection and timely disclosure of the relevant information in accordance with the regulations.	

Assessment item	Participation status			Discrepancies with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
<p>English-language website, designating a person responsible for the collection and disclosure of corporate information, implementing a spokesperson system, and placing corporate presentation sessions on the Company's website)?</p> <p>iii. Does the Company announce and report its annual financial statements within two months after the end of the fiscal year, and announce and report its first, second and third quarterly financial statements and operations for each month well in advance of the prescribed deadline?</p>	V		<p>1. The Company has established a spokesperson and acting spokesperson system in accordance with the regulations, and discloses their names and contact information on the Company's website.</p> <p>2. The Company has disclosed the information of the earnings calls on the Company's website.</p> <p>3. The Company has set up an English website to provide related information about the Company to stakeholders.</p> <p>iii. In order to provide investors with sufficient and accurate information, the Company announced and filed its financial statements as below: 2023 Financial report was announced on Mar 14, 2024 2024 Q1 Financial report was announced on May 14, 2024 2024 Q2 Financial report was announced on Aug 9, 2024 2024 Q3 Financial report was announced on Nov 12, 2024 2024 Financial report was announced on Mar 7, 2025.</p>	
VIII. Does the Company have other important information that can help with the understanding of the state of the Company's corporate governance (including but not limited to employee rights and benefits, employee care, investor relations, supplier relations, rights of interested parties, the status of continuing education of directors and supervisors, the implementation of risk management policies and risk measurement standards, the implementation of customer policies, the Company's purchase of liability insurance for directors and supervisors, etc.)?	V		<p>The Management of the Company actively promotes corporate governance. The implementation of the relevant systems and measures adopted is as follows:</p> <p>1. The Company has established work rules, and has carried out the protection of employees' rights and interests regardless of class, gender or nationality. In addition to providing employees with insurance, education and training, medical checkups and retirement services in a manner superior to the requirements by the law, the Company's Employee Welfare Committee was established to serve as a communication channel between management and employees, to promote and implement various employee welfare policies, to create a harmonious working environment and to enrich the lives of employees.</p> <p>2. Investor relations, supplier relations and stakeholder rights: The Company strives for transparency of information, discloses all financial and business information in a timely and appropriate manner as required by the law, and establishes a contact window and e-mail address to provide a channel for investors, suppliers and stakeholders to leave messages, and respond to their opinions. In order to protect the</p>	No difference

Assessment item	Participation status			Discrepancies with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
			<p>rights of both domestic and foreign investors, the Company has set up a corporate governance section in English and Chinese on its website to provide investors with diversified information. The Company and its suppliers sign written contracts or purchase orders on an equal footing to define mutual rights and obligations during the cooperation period, and to protect each other's legal rights and interests.</p> <p>3. Continuing educations of directors: All directors of the Company have taken the relevant courses in accordance with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies." Please refer to page 34 of the Annual Report (Table 1) for information on directors' continuing education in 2024.</p> <p>4. Risk management policies and risk measurement standards: The Company focuses on the core business in accordance with the relevant laws and regulations, promotes and implements various policies, and establishes risk management measures and related management policies to reduce and avoid any risks that may jeopardize the Company's interests, and emphasizes the maintenance of employee safety. Matters related to the Company's major operating policies, investment proposals, acquisition or disposal of assets, and endorsements and guarantees are evaluated and analyzed by the relevant responsible departments before being submitted to the Board of Directors for resolution. The Auditing Office prepares annual audit plans based on the results of the risk management measures and implements them in order to carry through risk control and other monitoring mechanisms.</p> <p>5. Implementation of customer policies: The Company's sales department is responsible for communicating and coordinating with customers from time to time to provide good services and solve customers' problems in response to customer needs, and the sales department conducts customer satisfaction surveys from time to time to provide customers with various channels for two-way communication.</p> <p>6. The Company has purchased liability insurance for its directors, and has approved the insurance amount, coverage and premium to the Board of Directors on Dec 25, 2024 and disclosed them on the Market Observation Post System.</p>	

Assessment item	Participation status			Discrepancies with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
IX. Please provide information on the results of the corporate governance evaluation released by the Corporate Governance Center of the Taiwan Stock Exchange Corporation (TWSE) in the most recent year, and propose priorities and measures to enhance those areas that have not yet been improved. (Not required for companies not included in the evaluation)		V	Not applicable	Not applicable

(Table 1) Continuing education of the Company's directors

Title	Name	Date	Organizer	Course Name	Hours
Director	Hou, Chia-Sheng	Nov 14, 2024	The Securities & Futures Institute (SFI)	<ul style="list-style-type: none"> ➤ Strategic Transformation that Companies Must Undertake After Going Public. ➤ Corporate ESG Sustainability Governance: Awareness and Core Concepts – Global Net-Zero Carbon Emission Trends and Corporate Response Strategies. 	6
	Li, Yuan-Chung				6
	Hsieh, Sheng-Kuo				6
	Su, Ming-Sheng				6
	Chen, Si-Ling				6
	Wu, Ming-Yuan				6
Independent Director	Lu, Chien-Jung	May 10, 2024	The Taiwan Corporate Governance Association (TCGA).	<ul style="list-style-type: none"> ➤ What Are Investors Thinking? – Discussing Corporate Sustainable Transformation from the Perspective of ESG Investment and Financing. 	6
	Chien, Yu-Kuo				6
	Chen, Yun-Chang				6
	Wang, Kui-Ching	Nov 12, 2024	The Taiwan Corporate Governance Association (TCGA).	<ul style="list-style-type: none"> ➤ Disclosure of Major Information by the Company and the Responsibilities of Directors and Supervisors. 	3

(Table 2) Continuing education of the Company's Corporate Governance Officer

Title	Name	Date	Organizer	Course Name	Hours
Corporate Governance Officer	Liu, Yen-Chih	Oct 4, 2024 Nov 1, 2024	The Taiwan Corporate Governance Association (TCGA).	<ul style="list-style-type: none"> ➤ Climate Risk Identification Workshop and Net-Zero Carbon Emissions Awareness Seminar – Taichung Session 	9
	Liu, Yen-Chih	Nov 14, 2024	Republic of China Securities and Futures Market Development Foundation	<ul style="list-style-type: none"> ➤ Strategic Transformation that Companies Must Undertake After Going Public. ➤ Corporate ESG Sustainability Governance: Awareness and Core Concepts – Global Net-Zero Carbon Emission Trends and Corporate Response Strategies. 	6

(IV) If the Company has a salary and remuneration committee or a nomination committee, it should disclose its composition, responsibilities and operations:

1. On May 31, 2022, the Board of Directors resolved and selected independent directors Mr. Chien, Yu-Kuo, Mr. Wang Kui-Ching and Mr. Lu Chien-Jong, as the members of second term of the Salary and Remuneration Committee, and elected independent director Mr. Chien Yu-Kuo as the convener of the Salary and Remuneration Committee.
2. The function of the Committee is to professionally and objectively evaluate the policies, performance appraisal and system related to the remuneration to directors and managerial officers of the Company, and to make recommendations to the Board of Directors for its reference in making decisions.
3. Information on the members of the Remuneration Committee

Identity	Name	Professional qualifications and experience	Status of Independence	Number of other public companies in which the individual is concurrently serving as a remuneration committee member	Note
Convener and independent director	Chien, Yu-Kuo	Please refer to pages 7~9 for 3. Disclosure of professional qualifications of directors and independence of independent directors:	(1) Not an employee of the Company or its affiliates. (2) Not a director or supervisor of the Company or its affiliates. (3) Not a director, spouse, minor child thereof, or other natural person shareholders who hold more than 1% of the total issued shares of the Company by nominee arrangement or with top ten ownership. (4) Not the managerial officer listed in (1) or the spouse, relatives within the second degree of kinship or direct blood relatives within the third degree of kinship of the person listed in (2) and (3). (5) Not a director, supervisor or employee of an institutional shareholder directly holding 5% or more of the total number of issued shares of the Company, or among the top 5 in shareholdings, or designating its representative to serve as a director or supervisor of the Company under Article 27, Paragraph 1 or 2 of the Company Act.	0	
Independent Director	Wang, Kui-Ching			1	Handa Pharmaceuticals Inc.

Independent Director	Lu, Chien-Jung		<p>(6) Not a director, supervisor or employee of other company. If a majority of the Company's director seats or shares with voting rights and those of that other company are controlled by the same person:</p> <p>(7) Not a director, supervisor or employee of the other company or institution who is or whose spouse is in the chairperson, president or equivalent positions of the Company.</p> <p>(8) Not a director, supervisor, managerial officer or shareholder holding 5% or more of the shares of a specific company or institution that has a financial or business relationship with the Company.</p> <p>(9) Not a professional individual who, or an owner, partner, director (managing director), supervisor, or managerial officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting, or relevant services to the Company or any affiliate of the Company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof</p> <p>(10) No situation under any of the subparagraphs of Article 30 of the Company Act. Not an employee of the Company or its affiliates.</p>	0	
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4. Information on the operation of the Remuneration Committee

- (1) There are three members in the Company's Salary and Remuneration Committee.
(2) The term of office of the members in the current term: May 31, 2022 to May 30, 2025.
The Salary and Remuneration Committee met three times in the most recent year (2024). The qualifications and attendance of the members are as follows:

Title	Name	Number of times of attendance in person	Number of times of attendance by proxy	Actual Attendance Rate (%)	Note
Convener	Chien, Yu-Kuo	3	0	100%	
Committee member	Lu, Chien-Jung	2	0	66.67%	
Committee member	Wang, Kui-Ching	3	0	100%	

Other items to be recorded:

- I. If the Board of Directors does not adopt or amend the recommendation of the Remuneration Committee, it shall state the date and period of the Board of Directors' meeting, the content of the resolution, the result of the Board of Directors' resolution and the Company's handling of the recommendation of the Remuneration Committee (if the compensation approved by the Board of Directors is better than the recommendation of the Compensation Committee, it shall state the difference and the reasons thereof): None.
- II. If the members of the Remuneration Committee have objections or reservations to the resolutions and there are records or written statements, they shall state the date and period of the Remuneration Committee, the content of the resolutions, the opinions of all members, and the treatment of the opinions of the members: No such cases have occurred.
- III. The authorities of the Salary and Remuneration Committee are as follows:
- (I) Regularly review and propose amendments to the "Salary and Remuneration Committee Charter."
- (II) Establish and regularly review the performance evaluation standards, annual and long-term performance targets, and policies, systems, standards and structures for remuneration of directors and managerial officers of the Company.
- (III) Periodically evaluate the achievement of the performance targets of the Company's directors and managerial officers, and determine the contents and amount of their individual remuneration based on the evaluation results by the performance evaluation standards.

IV. The following are the resolutions of the Salary and Remuneration Committee in 2024:

Date	Resolutions	Results of Resolutions Passed at the Meeting	The Company's Handling of Shareholder/Member Feedback
2nd term 5nd session Mar 8, 2024	1. Proposal for the distribution of employee compensation and director remuneration for the year 2023.	The proposal was approved as presented with the unanimous consent of all attending committee members after being consulted by the Chair.	No comments.
2nd term 6nd session Apr 9, 2024	1. Proposal for the distribution of internal personnel compensation for the year 2023.	The proposal was approved as presented with the unanimous consent of all attending committee	No comments.

			members after being consulted by the Chair.	
	2nd term 7th session Dec 25, 2024	1. Proposal for the 2025 salary adjustment for executives of the company and its subsidiary, Allied Supreme (Jia Xing) Corp.	The proposal was approved as presented with the unanimous consent of all attending committee members after being consulted by the Chair.	No comments.

5. Information on the Nomination Committee members and its operations: Not applicable.

(V) Promotion of the Sustainable Development and Deviations from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for Deviations

Assessment item	Participation status			Differences with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary description	
I. Has the Company set up a full-time (or part-time) unit to promote sustainable development, together with senior management authorized by the Board of Directors to handle the related matters, and report to the board on the handling of the matters?	V		<p>1. In accordance with the Company's sustainable management policy, the "Social Responsibility Committee" was established in 2021 and renamed the " ESG Sustainable Development Committee " in 2022, which is the highest-level decision center for sustainable development within the Company. The Chairperson of the Board of Directors serves as the Chairperson of the Committee, and together with a number of senior officers from different fields, they review the core operating capabilities of the Company to set up the medium- to long-term sustainable development plan.</p> <p>2. In continuation of the CSR policy, the Company formulated the Sustainable Development Best Practice Principles on March 14, 2022 and described the governance structure of the Company to promote sustainable development, which was approved by the Board of Directors and then implemented.</p> <p>3. The Principles describe the implementation of sustainable development in each organization of the Company, including but not limited to:</p> <p>(1) The ESG Sustainable Business Committee was formed as a continuation of the original Corporate Social Responsibility (CSR) Task Force, officially established on March 14, 2022, with the Chairman of the Board appointed as the Committee Chairperson by the Board of Directors.</p> <p>Furthermore, on January 1, 2025, an ESG Environmental, Safety, and Health Unit was established under the Office of the President to carry out ESG-related sustainable development tasks.</p> <p>(2) Following the GRI sustainability reporting guidelines, the FSC's supplementary guidelines for the chemical industry, the TCFD framework, and the SASB framework, the company has established standards that it must adhere to. These standards cover significant issues and information related to environmental, social, and governance aspects that are of concern to stakeholders. The company conducted its first assessment in 2022 and documented the results in its ESG sustainability report.</p> <p>The company's 2023 Sustainability Report (Year 112 in the ROC calendar) outlines the concrete outcomes and implementation status of its ESG initiatives. The report includes the key themes and focus areas across ESG dimensions, implementation details, communication with various stakeholders, materiality analysis, and the organizational structure of the company's functional governance committees.</p>	The Company has complied with the basic spirit and regulations of "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and has no evident deviation.

Assessment item	Participation status			Differences with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary description	
			<p>The report was submitted to the Board of Directors on August 8, 2024 and the Board reviewed and acknowledged its contents, expressing support for the current implementation status and future direction of the company's sustainable development efforts.</p> <p>(3) The ESG Sustainability Committee reported to the Board of Directors on the annual performance during 2024, including:</p> <ul style="list-style-type: none"> A. Implementation Status of Integrity Management for 2023 (Reported on March 8, 2024) B. 2024 Risk Assessment Report (Reported on March 8, 2024) Achievements in water resources, waste management, environmental protection, energy conservation, and environmental sustainability were reported. C. 2023 Sustainability Report Approved by the Board of Directors (August 8, 2024) D. 2025 Risk Assessment Report (Reported on December 25, 2024) E. Periodic Report on Greenhouse Gas Emissions. F. Periodic Report on Water Resources, Waste Management, Environmental Conservation, and Sustainability Achievements. G. Periodic Report on Workplace Care and Talent Development Achievements. H. Periodic Report on Social Inclusion and Public Welfare Activities Achievements. 	
II. Does the Company conduct risk evaluations on environmental, social and corporate governance issues related to the Company's operations in accordance with the materiality principle and formulate relevant risk management policies or strategies?	V		<ol style="list-style-type: none"> 1. The scope boundary of our company's risk assessment is the Taiwan parent company, excluding all subsidiaries outside the parent-subsidiary relationship in the consolidated financial statements. 2. In order to improve the Company's risk management mechanism, strengthen the effectiveness of corporate governance, ensure the integrity, effectiveness and reasonableness of risk management, and effectively evaluate and monitor the Company's risk bearing capacity, determine risk response strategies and compliance with risk management procedures, the Company's "Risk Management Measures" and related "Risk Management Policies" were approved by the Board of Directors on September 2, 2020, to reasonably ensure the achievement of the Company's medium- and long-term strategic planning and objectives. 3. The company has established a clear risk management organization, with the board of directors as the highest risk management unit, the internal audit department responsible 	The Company has complied with the basic spirit and regulations of "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and has no evident deviation.

Assessment item	Participation status			Differences with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary description	
			<p>for internal auditing, the general manager's office responsible for assessing and implementing risk management strategies for business decisions. The general manager serves as the convener, overseeing the promotion and operation of risk management plans, with the participation of department managers and employees. Since 2020, the company has actively promoted the implementation of risk management mechanisms. Each department conducts annual assessments of hazard, operational, financial, strategic, contract, information security, and other risks, and reports its operation to the board of directors regularly.</p> <p>4. The risks reported to the Board of Directors by the company on March 8, 2024, include:</p> <p>(1) Assessment of various risks, including operational risks related to environmental, social, or corporate governance issues, operational risks and strategic risks, financial risks, and measures taken to control risks.</p> <p>(2) Risks affecting operations identified after assessment include talent development, product industry and regional applications, quality, material supply chain, manufacturing costs, and various improvement project implementations. The Board of Directors provided direct guidance and relevant recommendations in response.</p> <p>(3) Based on risk assessments, the company has formulated short-, medium-, and long-term sustainability strategies, with a primary focus on the following UN Sustainable Development Goals (SDGs): SDG 7, SDG 8, SDG 11, SDG 12, SDG 13, and SDG 17.</p> <p>■ Short-term: Develop affordable renewable energy infrastructure, respond to climate actions, and promote energy conservation and carbon reduction.</p> <p>■ Medium-term: Emphasize the sustainable development of cities and communities to create long-term sustainability impact.</p> <p>■ Long-term: Implement responsible sustainable production practices and build strong partnerships for sustainability.</p> <p>(4) Through strategic planning, the company has set specific goals across ESG dimensions:</p> <p><u>Environmental:</u></p> <p>■ Target an 8.3% reduction in emissions by 2025</p> <p>■ Achieve a cumulative 25% reduction by 2030</p>	

Assessment item	Participation status			Differences with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary description	
			<p><u>Social:</u></p> <ul style="list-style-type: none"> ■ Review, integrate, and establish comprehensive corporate policies and regulations ■ Ensure product quality and production safety for employees and across the supply chain ■ Maintain zero workplace accidents <p><u>Governance:</u></p> <ul style="list-style-type: none"> ■ Comply with regulations, disclose sustainability-related information ■ Protect stakeholder rights, ensure confidentiality, and maintain zero information security breaches <p>(5) Sustainability Action Plan for 2025</p> <ul style="list-style-type: none"> ■ Obtain ISO 14064-1 carbon inventory system assurance ■ Implement an Environmental Management System (EMS) ■ Implement an Information Security Management System (ISMS) ■ Develop in-house solar power generation for self-use 	
<p>III. Environmental Issues</p> <p>(I) Has the Company established a suitable environmental management system according to the characteristics of its industry?</p> <p>(II) Does the Company strive to improve energy efficiency and use recycled materials that have a low impact on the environment?</p>	V	V	<p>(I) The Company has standard operating procedures and standards according to the characteristics of construction operations. In addition to requiring personnel to perform operations in accordance with the Company's specifications, the Company also strives to strengthen the safety and health risk control of the operating environment, activities, equipment or facilities, and regularly cooperates with the implementation of the operating environment measurements.</p> <p>(II) The company has internally developed a SCADA system (Supervisory Control and Data Acquisition) to enable recycling and reuse of water resources, thereby reducing environmental impact.</p> <p>In 2023, the company conducted an assessment for self-generated and self-consumed solar power infrastructure, which was successfully installed in 2024. The system is scheduled to begin operation for internal use in 2025, alongside the installation of small-scale energy storage facilities to reduce reliance on grid electricity (i.e., "gray power").</p>	The Company has complied with the basic spirit and regulations of "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and has no evident deviation.

Assessment item	Participation status			Differences with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof																								
	Yes	No	Summary description																									
(III) Does the Company assess the potential risks and opportunities of climate change for the business now and in the future, and take measures to address climate-related issues?	V		(III) In response to the potential risks and opportunities of climate change for enterprises now and in the future, the Company continues to be concerned about environmental protection-related issues and implement environmental improvements, and therefore formulates water resources or waste management policies with energy conservation, reduction, habit change and effective control as the management objectives.																									
(IV) Does the Company keep statistics on greenhouse gas emissions, water consumption and total tonnage of waste for the past two years, and develop policies for energy saving and carbon reduction, greenhouse gas reduction, water use reduction or other waste management?	V		<div> <div> (IV) The company continues to advocate for energy conservation and carbon reduction. The effectiveness of implementation over the past year in terms of greenhouse gas emissions, water usage, and total waste weight is as follows: (I) Annual Greenhouse Gas Emissions for Scope 1 to Scope 3 <table> <tr> <th>Year</th> <th>2024</th> <th>2022 (Base Year)</th> <th>Var%</th> </tr> <tr> <td>Scope1</td> <td>1,061.24</td> <td>280.86</td> <td>277.9%</td> </tr> <tr> <td>Scope2</td> <td>6,480.09</td> <td>8,339.04</td> <td>-22.3%</td> </tr> <tr> <td>Scope3</td> <td>1,740.59</td> <td>-</td> <td>-</td> </tr> <tr> <td>Subtotal(S1+S2)</td> <td>7,541.33</td> <td>8,619.89</td> <td>-12.5%</td> </tr> <tr> <td>Greenhouse gas emission intensity (kgCO2e/ per million)</td> <td>1.2</td> <td>1.40</td> <td>-16.6%</td> </tr> </table> <div> Note: The overall greenhouse gas emissions from Scope 1 and Scope 2 have decreased compared to the base year. However, the greenhouse gas emission intensity for Scope 1 has increased relative to the base year. This increase is attributed to the addition of refrigeration equipment, which led to higher emissions in Scope 1. The company will continue to optimize and improve processes. According to the information above, the company has already achieved results in reducing greenhouse gas emissions in 2024 </div> </div> </div>	Year	2024	2022 (Base Year)	Var%	Scope1	1,061.24	280.86	277.9%	Scope2	6,480.09	8,339.04	-22.3%	Scope3	1,740.59	-	-	Subtotal(S1+S2)	7,541.33	8,619.89	-12.5%	Greenhouse gas emission intensity (kgCO2e/ per million)	1.2	1.40	-16.6%	
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	Yes	No	Summary description																					
			<div>(II) Greenhouse gas emissions from water consumption<table><tr><td>Year</td><td>2024</td><td>2022 (Base Year)</td><td>Var%</td></tr><tr><td>Water consumption (Unit: degree)</td><td>65,365</td><td>50,214</td><td>30.7</td></tr><tr><td>Greenhouse gas emissions from water consumption (TonsCO2e)</td><td>15.21</td><td>11.70</td><td>30.0</td></tr></table><div>Note:<p>We advocate environmental protection and energy conservation. Due to products manufacture demand, water consumption has increased compared with the base year, but we still attach importance to relevant water saving measures.</p><p>Coefficient sources are based on the latest publicly announced data from the local water supply company: The carbon emission factor for tap water is calculated based on the production of purchased goods, with a carbon footprint factor of 0.233 kg CO2e.</p></div></div> <div>(III) Waste generation<table><tr><td>Year</td><td>2024</td><td>2022 (Base Year)</td><td>Var%</td></tr><tr><td>Amount of Waste (in metric tons)</td><td>84.139</td><td>36.27</td><td>132%</td></tr></table><div>Note:<p>The company does not generate any hazardous industrial waste, only producing general industrial waste (D-1801 and H-0002).</p><p>The company has adjusted its waste calculation principles. Starting from July 2024, the weight of waste will be based on the actual weight measured at the time of departure from the factory. As a result, there is an increase of 132% compared to the base year.</p></div></div>	Year	2024	2022 (Base Year)	Var%	Water consumption (Unit: degree)	65,365	50,214	30.7	Greenhouse gas emissions from water consumption (TonsCO2e)	15.21	11.70	30.0	Year	2024	2022 (Base Year)	Var%	Amount of Waste (in metric tons)	84.139	36.27	132%	
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Assessment item	Participation status			Differences with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary description	
IV. Social Issues				
(I) Has the Company established the relevant management policies and procedures in accordance with the relevant laws and regulations as well as international human rights treaties?	V		<p>(I) Our company supports and adheres to the basic human rights principles of the United Nations Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, United Nations Global Compact, International Labor Organization Declaration on Fundamental Principles and Rights at Work, and other applicable laws and regulations at all our global operating locations, including the spirit of human rights norms in the Human Rights Code and International Labor Conventions. We have formulated a "Human Rights Policy" to ensure the human rights and interests of all employees (current employees, contract and temporary staff, interns, etc.). The Human Rights Policy is announced to all employees and disclosed on the company's website.</p> <p>The company's Human Rights Policy is clearly outlined in its Recruitment and Employment Management Regulations, which ensures salary reviews are conducted based on the principle of equal pay for equal work, and promotes the equal employment of Indigenous people and individuals with disabilities.</p> <p>In 2024, the company was awarded the Labor Ministry's Golden Excellence Award in the Job Redesign Category, recognizing its outstanding achievements in promoting employment for individuals with disabilities and creating a supportive workplace. Additionally, at the Changhua County 2024 Outstanding Employers of People with Disabilities and Exceptional Employment of People with Disabilities Awards, the company received the Second Prize, further highlighting its commitment to corporate social responsibility and its practical implementation.</p>	The Company has complied with the basic spirit and regulations of "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and has no evident deviation.
(II) Has the Company established and implemented reasonable employee benefit measures (including compensation, vacation, other benefits, etc.) and appropriately reflected operational performance or results in the employee compensation?	V		<p>(II) The HR department conducts regular reviews of market salary levels, economic trends, and individual potential for salary adjustments, and bonuses are calculated based on the achievement of annual budget goals and individual performance to provide reasonable compensation for employees.</p> <p>1. Regulations:</p> <p>Our company has established the "Employee Salary and Compensation Management Regulations", "Annual Performance Assessment Management Regulations", and "Administrative Action Safety Awards and Penalties Regulations" in accordance with relevant laws and regulations. Through transparent and clear management regulations, we aim to reward outstanding performance and provide improvement opportunities for poor performance to implement our company's business philosophy and achieve corporate social responsibility goals. The HR department conducts</p>	

Assessment item	Participation status			Differences with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary description	
(III) Does the Company provide a safe and healthy work environment for employees, and implement regular safety and health education for employees?	V		<p>regular reviews of market salary levels, economic trends, and individual potential for salary adjustments, and bonuses are calculated based on the achievement of annual budget goals and individual performance to provide reasonable compensation for employees. The company also stipulates in Article 22 of its Articles of Association that if the company makes a profit (which refers to profit before tax deducted for employee and director compensation), it should first reserve an amount to offset accumulated losses and then allocate 5% to 10% of pre-tax net profit, excluding employee and director compensation, as employee compensation.</p> <p>2. Actual distribution of bonuses in 2024: The amount of Three traditional holiday bonuses was NT\$52,368 thousand, and Employee bonuses was NT\$123,437 thousand.</p> <p>3. The company provides a variety of comprehensive benefits:</p> <p>(1) Mandatory labor insurance, national health insurance, and regular contributions to retirement pensions in accordance with the law.</p> <p>(2) Group insurance is provided based on job nature after employment.</p> <p>(3) The leave system is comprehensive, in addition to the legal leave, other types of leave are also provided which are more favorable than the Labor Standards Act.</p> <p>(4) The year-end party raffle was held on Jan 18th, 2024, and commemorative gold coins were awarded to long-serving employees who had performed exceptionally well.</p> <p>(5) Rich reading materials are provided to enrich the mind and knowledge.</p> <p>(6) Quality uniforms made of comfortable materials are provided, and safety shoes that are durable and comfortable are also provided to ensure the safety of employees.</p> <p>(7) Free parking and exclusive personal tableware are provided.</p> <p>(8) A comfortable pantry is provided, equipped with free coffee, a refrigerator, and a microwave oven, among other facilities.</p> <p>(9) The company supports and promotes gender equality policies, providing a breastfeeding-friendly room and signing contracts with friendly childcare centers to provide good and friendly childcare services for employees.</p> <p>(III) The Company complies with all of the industrial safety regulations, and the Safety and Health Office is responsible for planning, implementing and supervising health management-related operations, education and training. Through regular automatic inspection and safety and health education and drills necessary for disaster</p>	

Assessment item	Participation status			Differences with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary description	
(IV) Does the Company have an effective career development program for employees?	V		<p>prevention, we aim to enhance employees' awareness of workplace hazards and emergency response capabilities.</p> <p>Explanation of Measures and Implementation of Employee Personal Safety and Work Environment Protection:</p> <ol style="list-style-type: none"> 1. Establishment of dedicated nurses and factory doctors in the plant area to periodically care for employees. They provide relevant advice based on the work environment and offer physical and mental health support. 2. Periodic dissemination of information related to a healthy workplace to provide employees with a reassuring work environment. 3. Conducting semi-annual environmental testing, including gas (carbon dioxide concentration, isopropanol concentration) or brightness testing based on the workplace to ensure a safe working environment. 4. Conducting education and training on the wearing of work protective equipment, teaching employees how to correctly wear relevant work protective equipment and providing education and training. 5. New employees are required to undergo safety and health as well as 5S education training on their first day of employment. In 2024, a total of 29 Taiwanese new employees were trained, and safety training is scheduled monthly as part of daily education. Additionally, all employees receive occupational safety and health on-the-job education training every quarter to ensure the continuous implementation of safety awareness. 6. In 2024, the company's workplace injury statistics show a total of 3 work-related injury cases (0 female, 3 male), all involving full-time employees—no part-time employees were affected. This represents 0.3% of the total workforce. All three cases were minor injuries, with no occupational diseases or work-related fatalities reported. Additionally, no fire incidents occurred during the year. <p>To provide a safer working environment, the company began implementing the ISO 45001 system in 2024, and successfully passed an external certification audit on December 12, 2024. Through the ISO 45001 Occupational Health and Safety Management System, the company continues to strengthen and reinforce safety awareness among its employees.</p> <p>(IV) The Company has established the "Regulations Governing Education and Training" to evaluate the annual education and training needs and draw up plans every year. The courses include professional courses, general knowledge courses, safety courses,</p>	

Assessment item	Participation status			Differences with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary description	
<p>(V) Does the Company follow the relevant laws, regulations and international guidelines for customer health and safety, customer privacy, and marketing and labeling of its products and services, and establish the related consumer protection policies and grievance procedures?</p> <p>(VI) Has the Company formulated supplier management policies that require suppliers to follow the relevant regulations on issues such as environmental protection, occupational safety and health or labor rights, and monitor their implementation?</p>	<p>V</p> <p>V</p>		<p>management training, etc. Through work and training, individual career planning and the overall interests of the Company can align at the same time. In the fiscal year 2024, our company trained a total of 1001 employees, with a total of 4104 training hours.</p> <p>(V) To implement information security, the Company has established the "Regulations Governing Information Security" to ensure the rights and interests of stakeholders. The "Stakeholder" section is established on the Company website to provide contact information. Customers may make use of the contact information if any issue arises.</p> <p>(VI) The company has established an internal control system, which includes the "Supplier Selection Management Procedure." As part of procurement management, qualified material suppliers and contractors are required to complete the "Supplier Basic Information" form and conduct a self-assessment using the "Supplier Evaluation Form," which emphasizes environmental protection, occupational safety, and hygiene. Throughout the trading process, the company actively promotes its Corporate Social Responsibility (CSR) policies to its suppliers through various channels.</p> <p>For new suppliers with no prior transaction history, the company requests them to sign a CSR Commitment Letter. While this is not mandatory, many suppliers voluntarily sign the document as a demonstration of their commitment to CSR. By signing, suppliers agree to comply with local regulations related to labor rights, human rights, environmental protection, and ethical business conduct. Signing also indicates the supplier's willingness to receive support and guidance from the company in addressing environmental, safety, and health issues. Should any violations of local laws occur, the supplier must cooperate with the company to implement corrective actions within a specified timeframe and submit periodic updates for tracking and audit purposes.</p> <p>In 2024, a total of 66 suppliers signed the CSR Commitment Letter with the company. As part of initial supplier management responsibilities, the company found that 4 of these suppliers violated the commitments, with their names listed on the government's Labor Law Violation Public Database (Employer Search System). The</p>	

Assessment item	Participation status			Differences with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary description	
			<p>company has requested these suppliers to submit a Supplier Quality Deviation Report, which is reviewed by the procurement department for follow-up and confirmation of corrective actions. Support and guidance are offered where needed.</p> <p>The company remains committed to promoting CSR awareness among suppliers and will continue to work hand-in-hand with them toward sustainable corporate development.</p>	
V. Does the Company make reference to international standards or guidelines for the preparation of reports, such as corporate social responsibility reports, which discloses non-financial information about the company? Did the Company obtain confirmation or assurance from a third-party verifier for the preceding report?		V	On Aug 8th, 2024, our company compiled a sustainability report which was verified and confirmed by a third-party accounting firm.	
VI. If the Company has established sustainable development principles based on the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," describe the implementation and any deviations from the Principles:	V		<p>The Company has established a "Sustainable Development Best Practice Principles" to carry out its commitment to corporate social responsibility, formulate the employee code of ethics and code of conducts, and policies on environmental safety and health management, and implement them. The Company has complied with the basic spirit and regulations of the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies."</p> <p>The company's implementation of sustainable development guidelines is as follows:</p> <ol style="list-style-type: none"> 1. The company has formulated a clear vision and mission for sustainable development. In 2023, it established net zero carbon emissions as a sustainable goal and developed clear sustainability strategic objectives. Action plans have been devised to achieve short, medium, and long-term goals. 2. In the first phase by 2030, the short-term goal is to reduce emissions by 25%. In the second phase by 2040, the cumulative reduction target is 35%, and a long-term goal is set for the third phase by 2050 to achieve a cumulative reduction of 100%. 3. The company regularly reports the ESG achievements to the board of directors each year. The board of directors directly supervises improvements, including aspects such as corporate governance, social welfare, and environmental measures. 	The Company has complied with the basic spirit and regulations of "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and has no evident deviation.

Assessment item	Participation status			Differences with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary description	

VII. Other important information to facilitate better understanding of the Company's sustainable development practices:

(Table 1) Results of corporate social responsibility operations

Date	Activity	Financing
2024.03.01	Rotary Club Mobile Blood Donation Sponsorship Event	Social welfare
2024.04.19	Donation Drive for the Hualien Earthquake Relief	Social welfare
2024.08.07	Blood Donation Event	Social welfare
2024.10.25	Recognition by Changhua County for Outstanding Employers of Persons with Disabilities	Social welfare
2024.11.07	22nd Golden Job Redesign Award – Winner in Job Restructuring Category	Social welfare
2024.11.23	Beach Cleanup Activity	Social welfare
Throughout 2024	Donation of Charitable Meal Boxes	Social welfare
Throughout 2024	Volunteer Services	Social welfare

(Table 2) Annual Evaluation of Suppliers

New Supplier Assessment	Supplier Annual Evaluation	Establishing a sustainable supply chain.
Item/Description	Item/Description	
1. Supplier Business Planning Ability: Evaluating whether the supplier has addressed employee rights, company system, and operating conditions.	1. Quality Whether the inspection meets the standards and the quality stability.	Establishing supplier partnerships based on cooperation, mutual trust, and mutual benefit; adhering to a "willingness of vendors" policy, sharing and exchanging expertise, and building a solid foundation for long-term relationships that foster mutual growth
2. Manufacturing Capability or Technical Work Execution: Evaluating whether the supplier has the ability to fulfill order requirements and resolve problems, and whether the company is competitive in the market.	2. Delivery Acquiring raw materials on time, meeting production needs, reducing inventory, and improving capital utilization efficiency.	
3. Quality Management System: Assessment of whether the supplier has dedicated personnel or units responsible for quality inspection, and whether they can effectively oversee the production process and shipment quality.	3. Compliance Timeliness and compliance with the company's requirements.	
4. Corporate Social Responsibility and Corporate Governance: Evaluating whether the supplier attaches importance to environmental development and occupational safety and has the ability to sustainably operate.	4. Social Responsibility Driving suppliers to jointly implement environmental protection, human rights protection, and other sustainable development efforts.	

(VI) Climate-related Information:

1. Execution Status of Climate-related Information

Assessment Item	Execution Status			
I. Description of the oversight and governance of climate-related risks and opportunities by the Board of Directors and management.	<p>I. The ESG Sustainable Development Committee, approved by the Board of Directors, is chaired by the Chairman of the Board and supported by department heads. Each department head jointly assesses climate-related risks and proposes improvement measures, which are then reported to the Board.</p> <p>In 2024, the assessed risks primarily included strategic risks, operational risks, and climate risks. The evaluation identified the highest-risk items, with climate-related impacts such as:</p> <ul style="list-style-type: none"> ● Increased repair costs due to natural disasters ● Asset damage and losses ● Additional costs arising from heightened environmental compliance and climate change-related commitments <p>These assessments were reported to the Board of Directors on December 25, 2024, with the Board providing direct supervision and guidance. However, climate-related risks were not identified as material or critical risks for the year.</p>			
II. Description of how identified climate risks and opportunities affect the company's business, strategy, and finances (short-term, medium-term, long-term).	<p>II. We have actively engaged in climate risk assessment and, in the 2025 Risk Report presented to the Board of Directors on December 25, 2024, further outlined its short-, medium-, and long-term sustainability strategy goals and action plans.</p>			
	Types of Risks and Opportunities	Short-Term	Medium-Term	Long-Term
	Transition Risks	<ul style="list-style-type: none"> ● Greenhouse gas (GHG) emission caps ● Expansion of renewable energy infrastructure 	Process improvements to reduce emissions in response to the impact of carbon taxes and fees.	Achieving net-zero emissions.
	Physical Risks	Asset damage caused by extreme weather	<ul style="list-style-type: none"> ● Disruptions in the supply chain and transportation due to extreme climate ● Increased product storage costs 	Rising average global temperatures
	Opportunities	Developing affordable renewable energy facilities to support	Promoting sustainable urban and community economic development	Practicing responsible, sustainable production and building strong

		climate action and meet short-term reduction goals	to generate long-term impact and reduce supply chain emissions	partnerships
	In response to the risks identified above, the following outlines the potential climate-related risks and opportunities that may have a financial impact, along with corresponding response strategies:			
	Transition Risks and opportunities on climate			
	Climate-Related Risks (R) and Opportunities (O)	Financial Impact (– / +)	Response Strategies	
	R: GHG Emission Caps R: High Electricity User Regulations	– Cost of implementing energy-saving measures – Capital investment in renewable energy for high energy users +Reduction in externally purchased energy costs	<ul style="list-style-type: none">● Conduct carbon inventory and invest in carbon reduction● Comply with regulations for renewable energy infrastructure	
	R: Carbon Tax and Carbon Fees R: Low-Carbon Process Improvements	– Increased operational costs due to carbon taxes and fees – Increased costs for installing and operating carbon reduction equipment	<ul style="list-style-type: none">● Ongoing investment in low-carbon process improvements	
	R: Net-Zero Emissions	– Increased costs for emission reductions throughout the product supply chain	<ul style="list-style-type: none">● Continue implementing GHG reduction initiatives● Provide carbon reduction guidance to suppliers● Encourage suppliers to adopt climate adaptation and mitigation practices	
	Physical Risks and opportunities on climate			
	Risks (R) / Opportunities (O)	Financial Impact (– / +)	Response Strategies	
	R: Asset damage due to extreme weather events	– Increased repair costs for facilities or equipment affected by typhoons	<ul style="list-style-type: none">● Conduct emergency response drills and strengthen natural disaster preparedness measures	
	R: Supply chain and	– Repair costs at low-lying operational	<ul style="list-style-type: none">● Prioritize local suppliers to	

		transportation disruptions due to extreme climate R: Rising product storage costs	sites due to flooding – Increased storage and handling costs for relocated products	reduce transport emissions and distance-related risks ● Shorten product delivery lead times
		R: Rising average temperatures	– Increased electricity costs due to higher energy consumption for air conditioning	● Evaluate and install variable frequency drives (VFDs) or energy-saving controllers for cooling systems.
III. Explanation of the financial impact of extreme weather events and transition actions:	III. <u>Impact of Extreme Weather Events:</u> According to internal risk assessments, extreme climate events, such as heavy rainfall leading to flooding, pose serious risks to operations. These include potential damage to access roads affecting transportation and logistics, and damage to facilities and equipment, which could result in delayed shipments. The company's manufacturing sites rely on municipal reservoir water, and in the event of drought or water restrictions, the production process may be disrupted. To mitigate this risk, the company has implemented water recycling systems to reduce water consumption and minimize potential impacts. <u>Financial Impact of Transition Actions:</u> In response to transition risks, the company must address a wide range of policy, regulatory, technological, and market changes. For example, carbon taxes imposed by the EU and other countries may affect the product supply chain and increase costs related to product carbon emissions and decarbonization of production processes. To prepare for these changes, the company has begun implementing energy audits, emission reduction measures, and equipment upgrade projects to proactively adapt to evolving market and regulatory requirements.			
IV. Describe how the identification, assessment, and management processes of climate risks are integrated into the overall risk management system.	IV. The company actively monitors climate-related issues and has established a risk management policy. The ESG Sustainable Development Committee is responsible for conducting annual assessments of key risk information and corresponding mitigation measures, which are formally reported to the Board of Directors. On December 25, 2024, the Board provided guidance and substantive recommendations following the annual risk assessment. During this meeting, the company also formulated its sustainability strategies, goals, and action plans, which are subject to annual rolling revisions to align with evolving trends and the company's operational needs. These strategies serve as a core reference for internal climate and risk management and cover areas such as: ● Energy conservation and carbon reduction performance ● Greenhouse gas emissions management ● Climate impact risk assessments ● Progress toward various sustainability targets Within the company's risk management framework, risks are categorized into first-line, second-line, or third-			

<p>V. If using scenario analysis to evaluate resilience to climate change risks, explain the scenarios, parameters, assumptions, analytical factors, and major financial impacts used.</p> <p>VI. If there is a transformation plan to address climate-related risks, describe the content of the plan, as well as the indicators and goals used to identify and manage physical and transitional risks.</p> <p>VII. If internal carbon pricing is used as a planning tool, explain the basis for price determination.</p>	<p>line levels, based on their severity and urgency. This classification supports prioritization and effective risk mitigation. To ensure transparency and inform stakeholders, the annual risk report is also publicly disclosed on the company's website.</p> <p>V. Not been constructed yet.</p> <p>VI. Not been constructed yet. To achieve net-zero emissions, based on the results of risk assessments, the company has formulated greenhouse gas (GHG) reduction targets. These targets cover: Scope 1: Direct emissions from operational activities Scope 2: Indirect emissions from energy consumption Scope 3: Indirect emissions across the value chain The company has established overall reduction goals for each scope. Short-term implementation measures include: A. Continued proactive and voluntary carbon reduction B. Adoption of renewable energy C. Emission reduction through process improvements D. Establishment of an energy management system E. Set a target of 8.3% cumulative emissions reduction by 2025, using 2022 as the base year</p> <p>VII. Not been constructed yet, but the company plans to reference the public carbon pricing published by the Taiwan Carbon Credit Exchange, as well as the carbon pricing mechanisms announced by the Ministry of Environment. In response to the EU Carbon Border Adjustment Mechanism (CBAM) and its regulated products, the company is adjusting its market strategy accordingly.</p> <p>To maintain market competitiveness and incorporate carbon-related costs into operational planning, the company has formulated internal product carbon pricing principles based on CBAM-aligned emissions accounting standards. These principles will be adjusted in real time according to evolving market trends and regulatory changes, ensuring agile response to emerging carbon-related issues.</p>
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<p>VIII. If climate-related targets are set, explain the activities covered, greenhouse gas emission scopes, timelines, annual progress, etc. If carbon offsetting or Renewable Energy Certificates (RECs) are used to achieve the targets, explain the sources and quantities of the offset carbon emissions or the number of RECs used.</p>	<p>VIII. Not been constructed yet. But the company is advancing toward the goal of corporate sustainability and net-zero emissions. Based on the results of carbon audits, the primary source of emissions has been identified as electricity consumption. In 2024, the company completed the first phase of rooftop solar power installation for self-generation and self-consumption. A second phase of solar installation is already in planning, with the aim of gradually reducing emissions from this major source year by year.</p> <table><tr><td>Net-Zero Carbon Reduction Target</td><td>FY2023</td><td>FY 2024</td><td>FY 2025</td></tr><tr><td>Baseline Year: Emission reduction targets are set based on 2022</td><td>5%</td><td>6.3%</td><td>8.3%</td></tr><tr><td>Carbon Offset Credits</td><td>None</td><td>None</td><td>-</td></tr><tr><td>Renewable Energy Certificates (RECs)</td><td>None</td><td>None</td><td>-</td></tr><tr><td>Status of target achievement</td><td>Achieve</td><td>Achieve</td><td>-</td></tr></table> <p>In 2024, total Scope 1 and Scope 2 emissions were reduced by 12.5% compared to the base year 2022. The company will continue to optimize its processes and prioritize self-initiated emissions reductions and the development of self-generated renewable energy for on-site use. As a result, no Renewable Energy Certificates (RECs) or carbon offset credits have been purchased to date.</p>	Net-Zero Carbon Reduction Target	FY2023	FY 2024	FY 2025	Baseline Year: Emission reduction targets are set based on 2022	5%	6.3%	8.3%	Carbon Offset Credits	None	None	-	Renewable Energy Certificates (RECs)	None	None	-	Status of target achievement	Achieve	Achieve	-
Net-Zero Carbon Reduction Target	FY2023	FY 2024	FY 2025																		
Baseline Year: Emission reduction targets are set based on 2022	5%	6.3%	8.3%																		
Carbon Offset Credits	None	None	-																		
Renewable Energy Certificates (RECs)	None	None	-																		
Status of target achievement	Achieve	Achieve	-																		
<p>IX. Greenhouse gas inventory and assurance, reduction targets, strategies, and specific action plans (to be filled out separately in sections 1-1 and 1-2).</p>	<p>IX. The company began conducting individual company greenhouse gas inventories in 2023, and completed the initial inventory in the same year, but external assurance operations have not yet been carried out. In 2023, the company established greenhouse gas reduction targets for the individual company, setting short-term, medium-term, and long-term reduction goals:</p> <p>Short-term: Cumulative reduction of 25% by 2030 Medium-term: Cumulative reduction of 60% by 2040 Long-term: Cumulative reduction of 100% by 2050</p> <p>With the goal of achieving net-zero carbon emissions, the company formulated action plans based on its main energy consumption items, including electricity, fuel, water conservation, and waste reduction. Starting from energy-saving concepts and daily life practices, the company gradually established an energy monitoring system for data-driven control, serving as the basis for improvement assessment to achieve its goals. In March 2024, the company completed the initial establishment of the ISO 14064-1:2018 system, providing a standardized basis for conducting greenhouse gas (GHG) inventories. As the system is in its preliminary stage, the company plans to undergo external verification of 2024 GHG emissions in 2025 in accordance with ISO 14064-1:2018.</p>																				

1-1 Greenhouse Gas Inventory and Verification Status for the Most Recent Two Years

1-1-1 Greenhouse Gas Inventory Information

Company	Category	2023		2024	
		Emissions (tons CO ₂ e)	Emission Intensity (tons CO ₂ e / NT\$ million revenue)	Emissions (tons CO ₂ e)	Emission Intensity (tons CO ₂ e / NT\$ million revenue)
Allied Supreme Corp. (Parent company)	Scope 1 Direct GHG Emissions	646.4194	0.10	1,061.2389	0.16
	Scope 2 Indirect GHG Emissions	7,180.9010	1.11	6,480.0877	1.00
	Scope 3	1,772.8418	0.27	1,740.5925	0.27
	Subtotal	9,600.1620	1.48	9,281.9191	1.44

1-1-2 1-1-2 Greenhouse Gas Assurance Information

The following outlines the greenhouse gas (GHG) assurance activities conducted over the past two years for the company and certain subsidiaries included in the consolidated report:

Company	Category	2023	2024
		Emissions (tons CO ₂ e)	Emissions (tons CO ₂ e)
Allied Supreme Corp. (Parent company)	Scope 1 Direct GHG Emissions	646.4194	1,061.2389
	Scope 2 Indirect GHG Emissions	7,180.9010	6,480.0877
	Scope 3	1,772.8418	1,740.5925
	Subtotal	9,600.1620	9,281.9191
	Percentage of Disclosed Data in Section 1-1-1 Covered by Assurance	100%	100%
Assurance Provider		(Note 1)	Ernst & Young (EY) Taiwan
Assurance Status			Assurance scheduled for May 2025
Conclusion of Assurance Opinion			Not yet obtained

(Note1) The 2023 greenhouse gas inventory data of the company has not been assurance.

(VII) Status of the Ethical Corporate Management and the Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof:

Assessment item	Participation status			Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary description	
<p>I. Establishment of Corporate Conduct and Ethics Policy and Implementation Measures</p> <p>(I) Does the company establish corporate conduct and ethics policy that is approved by the board of directors and document such policy and procedure, as well as ensuring the commitment of the board and management team in the implementation of the policy thereof, in the bylaws and publicly available documents?</p> <p>(II) Has the company established a risk assessment mechanism for unethical conduct, analyzed and evaluated activities that contain a higher risk of unethical conduct in the operating aspect on a regular basis, and established measures for the prevention of unethical conduct, which at least cover the business activities prescribed in the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” Article 7, Paragraph 2?</p> <p>(III) Does the company establish relevant policies duly enforced to prevent unethical conduct, provide and implement operating procedures,</p>	V		<p>(I) The Company has established “Ethical Corporate Management Best Practice Principles” and “Business Integrity Procedures and Code of Conduct”. In accordance with updates of the law and regulations, the Company makes corresponding amendments to its internal policies on a regular basis. Revised "Code of Conduct for Business Integrity" on August 10, 2022 was announced to employees on August 15, 2022 after being approved by the board of directors. Senior management and the board of directors signed the statement of commitment to abide by the policy of business integrity in 2022.</p> <p>(II) The company has established the "Risk Management Regulations" and "Code of Conduct for Business Integrity". Each department conducts annual assessments of significant risks in areas such as operations, finance, strategy, contracts, and information security, and develops response measures and improvements to prevent the occurrence of risks.</p> <p>(III) The Company has established a reporting mechanism. The internal independent reporting e-mail and hotline are disclosed publicly. Anonymous reporting of malpractice is allowed. The Company makes amendments to these measures in accordance with regulations on a regular basis.</p>	The Company has complied with the basic spirit and regulations of “Corporate Ethical Management Best Practice Principles for TWSE/TPEx Listed Companies,” and has no evident deviation.

Assessment item	Participation status			Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary description	
behavioral guidelines, penalty for violation and appeal system in such policies, and evaluate and amend the aforementioned policies on a regular basis?			To implement and adhere to the policy of business integrity, the company provides "pre-employment general training" to new employees, and promotes relevant regulations on internal and external websites. The concept of integrity is promoted to all employees in their daily work. In 2024, a total of 52 new employees were trained in anti-corruption, bribery refusal, and integrity education, with a total of 26 hours of training to strengthen their awareness.	
<p>II. Implementation of integrity business</p> <p>(I) Does the company evaluate the integrity of all counterparties it has business relationships with? Are there any integrity clauses in the agreements it signs with business partners?</p> <p>(II) Does the company task a unit that reports directly to the board of directors and promotes ethical standards, making periodical updates (at least once a year) to the board on business integrity management policy, and the supervision of measures for prevention of unethical conduct?</p> <p>(III) Does the company have any policy that prevents conflict of interest, and channels that facilitate the report of conflicting interests?</p> <p>(IV) Has the company implemented effective accounting and internal</p>	<p>√</p> <p>√</p> <p>√</p> <p>√</p>		<p>(I) The Company stipulates and implements the integrity commitment in contracts with its business partners.</p> <p>(II) The company has established the "Operating Procedures and Code of Conduct for Business Integrity". The management department is responsible for revising, implementing, interpreting, providing consulting services, and recording relevant content in the filing system for this operating procedure and code of conduct. On Mar 8, 2024, it reported on the implementation of the policy in 2023. The number of related incidents was 0 for the years.</p> <p>(III) The integrity management policy of the Company pays attention to conflict of interest, specifically illustrating circumstances or standards of conflict of interest. It also requires the relevant personnel to withdraw from situations of conflict of interest. When employees have knowledge of or face a conflict of interest, they are required to report to their direct supervisors, head of the human resources department or the Board of Directors as detailed as possible.</p> <p>(IV) The accounting system of the Company is designed by referring to Securities and Exchange Act, Company Act, Business Entity Accounting Act,</p>	The Company has complied with the basic spirit and regulations of "Corporate Ethical Management Best Practice Principles for TWSE/TPEX Listed Companies," and has no evident deviation.

Assessment item	Participation status			Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary description	
<p>control systems to maintain business integrity, and had the internal audit unit devised the relevant audit planning according to the risk assessment results of unethical conduct? Are these systems reviewed by internal or external auditors on a regular basis?</p> <p>(V) Does the company conduct internal and external ethical training programs on a regular basis?</p>	V		<p>Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards endorsed by Financial Supervisory Commission, International Accounting Standards and regulations of International Financial Reporting Interpretations Committee and Interpretations Committee Interpretations. The establishment of the accounting system has also taken the actual business circumstances of the Company into consideration. The internal control system is designed and implemented by referring to Regulations Governing Establishment of Internal Control Systems by Public Companies and other relevant regulations. The audit department under the Board of Directors shall also review the compliance of accounting and internal control systems on a regular basis and report to the Board.</p> <p>(V) The Company shall arrange for training courses pertaining to corporate governance and integrity management for new recruits. In addition, employees are formally informed—through official announcements—of the company’s commitment to integrity and anti-corruption compliance, and are expected to adhere to these principles.</p>	
<p>III. Status of reporting system</p> <p>(I) Does the company provide incentives and means for employees to report malpractice and implement an accessible whistle-blowing channel? Does the company dedicate personnel to investigate the reported malpractice?</p> <p>(II) Has the company implemented any standard procedures or confidentiality measures for handling reported malpractices?</p> <p>(III) Does the company assure malpractice reporters that they will not be mistreated for making such reports?</p>	V		<p>(I) In the “Ethical Corporate Management Best Practice Principles”, the Company has established reporting channel and designated personnel to take charge of relevant matters.</p> <p>(II) For matters concerning malpractice reporting, the Company has specifically established confidentiality regulations.</p> <p>(III) The “Whistleblower protection” principle guarantees the position and salary of the reporter. The reporter shall not be demoted or have his employment terminated because of reporting malpractice. If the reporter suffers retaliation</p>	<p>The Company has complied with the basic spirit and regulations of “Corporate Ethical Management Best Practice Principles for TWSE/TPEX Listed Companies,” and has no evident deviation.</p>

Assessment item	Participation status			Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary description	
			due to making a legitimate reporting, apart from the relevant compensation, in accordance with Employee Reward and Punishment Regulations, the Company shall punish the retaliating party.	
IV. Enhanced information disclosure (I) Has the company disclosed relevant CSR principles and implementation on its website and Market Observation Post System?	V		The Company continued to implement the “Sustainable Development Best Practice Principles” in 2024, which are made available on the Company website: (https://www.alliedsupreme.com/tw/about).	The Company has complied with the basic spirit and regulations of “Corporate Ethical Management Best Practice Principles.
V. If the company has established business integrity policies in accordance with “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies”, please describe its current practices and any deviations from the Best Practice Principles: After referring to the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and considering the actual business operation, the Company has established “Ethical Corporate Management Best Practice Principles” and “Business Integrity Procedures and Code of Conduct”. In accordance with these regulations, the Company implements integrity management to regulate the behavior of its employees when conducting business operations.				
VI. Other information relevant to understanding the company’s business integrity (e.g., review the company’s corporate conduct and ethics policy): The Management of the Company actively implements integrity management. The implementation of relevant systems and measures adopted is as follows: To establish a corporate culture of integrity, and strengthen corporate governance and risk control, “Business Integrity Procedures and Code of Conduct” specifically provides that the directors, managerial officers and employees conducting business shall observe the regulations and take preventive measures against unethical behavior, to improve the business environment.				

(VIII) Other important information that may enhance the understanding of the company’s corporate governance status:

The Company has established “Regulations for Processing Material Inside Information.” Any update to the procedure has been approved by the Board of Directors and publicly announced. Please refer to the “Corporate Governance” sub-section under the “Investors” section on the Company website: <http://www.alliedsupreme.com.tw>.

(IX) Implementation of the Internal Control System

1. Statement on Internal Control

Allied Supreme Corporation
Statement on the Internal Control System

Date: March 7, 2025

The results of self-evaluation of the Company's internal control system in 2024 is hereby disclosed below:

- I. The Company acknowledges and understands that the establishment, implementation and maintenance of the internal control system are the responsibilities of the Board and managerial officers, and that such a system has already been established throughout the Company. It aims to provide reasonable assurance about the achieving of the goals of operational effectiveness and efficiency (including profit, performance and asset security protection), reporting reliability, timeliness, and transparency, as well as compliance with the relevant laws and regulations.
- II. The internal control system has its inherent limitations and regardless of how perfect the design is, the effectiveness of the internal control system can only provide reasonable assurance to the achievement of the aforementioned three objectives. In addition, due to the change of the environment and circumstances, the effectiveness of the internal control system may be changed. 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 exercises judgment on whether or not the design and implementation of the internal control system are effective based on the items used to judge the effectiveness of the internal control system stipulated in the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations"). The items adopted in the Regulations to judge the effectiveness of the internal control system in the "Regulations" are based on the process of management control, and the internal control system is divided into five elements: 1. control environment, 2. risk assessment, 3. control operations, 4. information and communication, and 5. supervisory operations. Each element includes a couple of items. For said items, please refer to the Regulations.
- IV. The Company has adopted the aforesaid assessment items for the internal control system to determine whether or not the design and implementation of the internal control system are effective.
- V. Based on the evaluation results of the preceding paragraph, the Company believes that its internal control system (including supervision and management of subsidiaries), as of December 31, 2023, includes an understanding of the effectiveness of the operations and the extent to which efficiency goals are achieved. The reporting system is reliable, timely, transparent, and the relevant design and implementation of the internal control system regarding compliance with the relevant laws and regulations are effective. Therefore, it can provide reasonable assurance about the fact that it has achieved the goals above.
- VI. This statement constitutes the main content of the Company's Annual Report and the prospectus, and is disclosed to the public. Where there are false or concealed contents in the statement above, the Company shall be legally liable under Article 20, Article 32, Article 171, and Article 174 of the Securities and Exchange Act.
- VII. This statement was approved by the Company's Board of Directors on March 7, 2025. Of the 10 directors present, no one had objections, and the rest all agreed with the content of this statement and declared here.

Allied Supreme Corporation
Chairperson: Hou, Chia-Sheng
President: Hou, Chia-Sheng

2. Where CPAs are appointed to conduct ad-hoc review of the internal control system, the review report issued by the CPAs shall be disclosed:

The Company was not appointed a CPA to issue a special review report on the internal control system during 2024.

- (X) In the Last Year and As of the Publication Date of the Annual Report, Where the Company and Its Internal Personnel Have been Imposed with Any Penalty in Accordance with the Law, or the Company Has Imposed Any Penalty on Its Internal Personnel for Violating the Provisions of the Internal Control System, and the Results of Said Penalty May Have a Material Impact on Shareholders' Equity or Securities Prices, the Details of Said Penalty, Main Deficiencies and Improvements Shall be Specified: None.

- (XI) Important Resolutions of the Shareholders' Meetings and Board of Directors in the Last Year and As of the Publication Date of the Annual Report:

1. Important resolutions of shareholders' meetings:

Date of the meeting	Important issue	Implementation Status
2024/5/30 (Annual Shareholders' Meeting)	Reporting Item: 1.2023 Annual Business Report.	The proposal was approved as presented with the unanimous consent of all attending shareholders after being consulted by the Chair. There were no questions from shareholders regarding this proposal.
	Reporting Item: 2. Audit Committee's Review Report on the Company's 2023 Financial Statements.	The proposal was approved as presented with the unanimous consent of all attending shareholders after being consulted by the Chair. There were no questions from shareholders regarding this proposal.
	Reporting Item: 3. Report on the Distribution of 2023 Employee Compensation and Directors' Remuneration.	The proposal was approved as presented with the unanimous consent of all attending shareholders after being consulted by the Chair. There were no questions from shareholders regarding this proposal.
	Reporting Item: 4. Report on the Distribution of 2023 Cash Dividends.	The proposal was approved as presented with the unanimous consent of all attending shareholders after being consulted by the Chair. The Company has designated April 5, 2024, as the ex-dividend date and April 30, 2024, as the dividend payment date. Dividends will be fully distributed on April 30, 2024, and this has been reported at the Annual General Shareholders' Meeting.
	Approval Item: 1. Proposal for the Adoption of the 2023 Annual Business Report and Financial Statements.	There were no questions from shareholders regarding this proposal. The voting result for this proposal was 64,867,173 votes in favor, and the proposal was approved as originally presented.
	Approval Item: 2. Proposal for the Distribution of 2023 Earnings.	There were no questions from shareholders regarding this proposal. The voting result for this proposal was 64,698,152 votes in favor, and the proposal was approved as originally presented. The Company has designated April 5, 2024, as the ex-dividend date and April 30, 2024, as the dividend payment date. Dividends will be fully distributed on April 30, 2024. Other distribution items have been approved by resolution at the Annual General Shareholders' Meeting.
	Discussion Item: Proposal for the Amendment of the Company's "Rules of Procedure for Shareholders"	There were no questions from shareholders regarding this proposal. The voting result for this proposal was 64,005,046 votes in favor, and the proposal was approved as originally presented.

Date of the meeting	Important issue	Implementation Status
	Meetings.”	
	Extraordinary Motions: There were no questions from shareholders regarding this proposal. • None.	

2. Important resolutions of Board meetings:

Date of the meeting	Important resolution
2024/1/10	1. Proposal to set the record date for the issuance of new shares upon conversion of the company's employee stock options.
2024/3/8	1. Proposal for the assessment of the effectiveness of the company's internal control system for the year 2023 and the internal control statement.
	2. Proposal for the distribution of employee compensation and director remuneration for the year 2023.
	3. Proposal for the company's 2023 annual business report and financial statements.
	4. Proposal for the distribution of earnings for the year 2023.
	5. Proposal for the independence, suitability, appointment, and remuneration of the certified public accountant for the year 2024.
	6. Discussion on whether the overdue accounts receivable as of December 31, 2023, are classified as loans to others.
	7. Proposal for amendments to certain provisions of the company's "Rules of Procedure for Board Meetings."
	8. Proposal on matters related to the annual shareholders' meeting to review shareholder proposals.
	9. Proposal to determine the date, location, and agenda of the company's 2024 annual general meeting of shareholders.
2024/4/9	1. Proposal to set the record date for the issuance of new shares upon conversion of the company's employee stock options.
	2. Proposal for the distribution of internal personnel compensation for the year 2023.
	3. The company's proposal for renewing the financing credit application with financial institutions.
2024/4/22	1. Proposal to provide a guarantee endorsement for the company's subsidiary, Aston Fluorotech Corp.
2024/5/9	1. Proposal for the financial statements for the first quarter of the 2024 fiscal year.
	2. Discussion on whether the overdue accounts receivable as of March 31, 2024, are classified as loans to others.
2024/8/8	1. The company's proposal for the 2023 Sustainability Report.
	2. The company's proposal for the financial statements for the second quarter of the 2024 fiscal year.
	3. Discussion on whether the overdue accounts receivable as of June 30, 2024, are classified as loans to others.
	4. The company's proposal for renewing the financing credit application with financial institutions.
	5. Regarding the proposal of the company's subsidiary ALLIED SUPREME (Jia Xing) CORP. to renew its financing credit application from a financial institution.
	6. Proposal to provide a guarantee endorsement for the company's subsidiary, ALLIED SUPREME (Jia Xing) CORP.
2024/11/8	1. The company's proposal for the 2023 Sustainability Report.
	2. Discussion on whether the overdue accounts receivable as of September 30, 2024, are classified as loans to others.
	3. Amendments to certain articles of the Company's "Audit Committee Organizational Regulations."
	4. Amendments to certain articles of the Company's "Corporate Governance Best Practice Principles."

2024/12/25	1. Formulating the company's "Sustainability Information Management Policy."
	2. Amendments to certain provisions of the company's "Internal Control System" and "Internal Audit System."
	3. Formulating the 2025 Audit Plan for the company and its subsidiaries, Allied Supreme (Jia Xing) Corp. and Aston FluoroTech Corp.
	4. Proposal for the 2025 salary adjustment for executives of the company and its subsidiary, Allied Supreme (Jia Xing) Corp.
	5. The company's consolidated budget for the year 2025.
	6. Proposal for the purchase of Directors and Key Executive Liability Insurance for the year 2025.
	7. The company's proposal for renewing the financing credit application with financial institutions.
2025/3/7	1. Proposal for the assessment of the effectiveness of the company's internal control system for the year 2024 and the internal control statement.
	2. Proposal for the distribution of employee compensation and director remuneration for the year 2024.
	3. Proposal for the company's 2024 annual business report and financial statements.
	4. Proposal for the distribution of earnings for the year 2024.
	5. Proposal for the independence, suitability, appointment, and remuneration of the certified public accountant for the year 2025.
	6. Discussion on whether the overdue accounts receivable as of December 31, 2024, are classified as loans to others.
	7. Proposal for amendments to certain provisions of the company's "Article of Incorporation."
	8. Proposal for the Complete Re-election of the Company's Board of Directors.
	9. Proposal for the Acceptance of the List of Director (Including Independent Director) Nominees Submitted by the Company's Shareholders.
	10. Proposal for the Nomination and Review of Director and Independent Director Candidates by the Board of Directors.
	11. Lifting of the non-compete restriction on new directors of the Company.
	12. Proposal on matters related to the annual shareholders' meeting to review shareholder proposals.
	13. Proposal to determine the date, location, and agenda of the company's 2025 annual general meeting of shareholders.

(XII) In the Last Year and As of the Publication Date of the Annual Report, Where the Directors Have Different Opinions on Important Resolutions Passed by the Board of Directors on Records or in a Written Statement, the Main Content Shall be Specified: The Company had no such cases.

(XIII) An Aggregate Information on the Resignation and Dismissal of the Company's Chairperson, President, Accounting Manager, Financial Manager, Chief Internal Auditor, Corporate Governance Officer, and R&D Manager in the Last Year and As of the Publication Date of the Annual Report: The Company had no such cases.

IV. Information on CPA professional fees

(I) Information on CPA professional fees

Unit: NTD thousand

Name of Accounting Firm	Name of Attesting CPAs	CPA audit period	Audit fees	Non-audit fees	Total	Note
Deloitte Taiwan	Chen, Wen-Hsiang	2024.01.01~ 2024.12.31	3,550	425	3,975	(Note)
	Liu, Shu-Lin					

Note: The non-audit fee of \$425 thousand include \$150 thousand for the 2024 tax returns, and \$275 thousand for the 2023 transfer price report.

- (II) Where the CPA Firm is Replaced and the Audit Fees Paid During the Year in Which Replacement Occurs Are Less than Those in the Prior Year, the Amount and Reasons for the Audit Fees Before and After the Replacement Shall Be Disclosed: Not applicable
- (III) Where the Audit Fees Are Reduced by at Least 10% Compared with the Prior Year, the Amount of the Decrease, Percentage, and Reason: Not applicable.

V. Information on the change of CPAs in the last two years: The Company had no such cases.

VI. Where the Company's Chairperson, President or Managerial Officers in Charge of Financial or Accounting Affairs Have Worked in the CPA Firm at Which the CPAs Appointed Work or Its Affiliates Within the Last Year: The Company had no such cases.

VII. In the Last Year and As of the Publication Date of the Annual Report, Equity Transfer and Changes in Pledged Equity by Directors, Managerial Officers and Shareholders Whose Shareholding Ratio Exceeds 10%.

- (I) Changes in shareholdings of directors, managerial officers and major shareholders

Unit: Shares

Title	Name	2023		2024 up to April 1st	
		Increase (decrease) of shareholding	Increase (decrease) of pledged shares	Increase (decrease) of shareholding	Increase (decrease) of pledged shares
Chairperson (President)	Hou, Chia-Sheng	60,000	—	—	—
Director	Hsieh, Sheng-Kuo	(78,176)	—	(114,205)	—
Director	Wu, Ming-Yuan	—	—	—	—
Director	Shang He Investment Co., Ltd. Representative: Chen, Si-Ling	—	—	—	—
Director	Ying Sheng Investment Co., Ltd. Representative: Su, Ming-Sheng	—	—	—	—
Director (CEO)	Li, Yuan-Chung	—	—	—	—
Independent Director	Lu, Chien-Jung	—	—	—	—
Independent Director	Wang, Kui-Ching	—	—	—	—
Independent Director	Chien, Yu-Kuo	—	—	—	—
Independent Director	Chen, Yun-Chang (Note1)	—	—	—	—
Vice President of the Production Dep.	Huang, Yu-Ming	14,000	—	—	—
Senior Manager, Sales	Zhuang, Wen-Rong	7,000	—	—	—
Chief Finance officer	Liu, Yen-Chih	(40,000)	—	(10,000)	—
Vice President of the Sales Dep., AJX	Chao, Yang-Mao	—	—	—	—

Note 1: An independent director was added and elected at the shareholder's meeting held on May 26th, 2023.

- (II) Information of related parties on the transfer of shareholdings of directors, managerial officers and shareholders holding 10% or more of the shares:

Name	Type of transfer	Date of transaction	Related person	Relationship	Shares	Transaction price
Hsieh, Sheng-Kuo	Donation	2024/9/4	Hsieh, Ming-Jui	Children	78,176	351
Hsieh, Sheng-Kuo	Donation	2025/3/6	Hsieh, Ming-Jui	Children	114,205	267.5

- (III) Information on the pledge of shareholdings of directors, managerial officers and shareholders holding 10% or more of the shares: None.

VIII. Information on the Top Ten Shareholders with the Highest Shareholding Ratio are

Related Parties, Spouse, or Relatives Within Second Degree of Kinship to Each Other

Mar 31, 2025; Unit: Shares; %

Name	Shareholding by the individual		Shareholding of spouse and minor children now		Total shareholdings held in the name of others		The names and relationships of the top ten shareholders who are related to each other or who are related to each other as spouses or second-degree relatives.		Note
	Shares	%	Shares	%	Shares	%	Name	Relation	
Yung Ching Investment Co., Ltd. Representative: Hou, Yuan-Hsuan	6,753,732	8.44	—	—	—	—	Hou, Chia-Sheng	Relative within 2nd degree of kinship	—
	—	—	—	—	—	—	Yu Lin Co., Ltd.	Person in charge The same person	
Ying Sheng Investment Co., Ltd. Representative: Su, Ming-Sheng	5,163,485	6.46	—	—	—	—	—	—	—
	593,250	0.74	550,000	0.69	2,817,271	3.52			
Hsieh, Sheng-Kuo	4,480,259	5.60	—	—	—	—	Kuo Ju Investment Co., Ltd. Representative: Hsieh, Chia-Wei	Relative within 2nd degree of kinship	—
Shang He Investment Co., Ltd. Representative: Chen, Si-Ling	4,520,825	5.65	—	—	—	—	Chen, Jou-Yu Chen, Ying-Ying	Relative within 2nd degree of kinship	—
	—	—	—	—	—	—		Relative within 2nd degree of kinship	
Chen, Ying-Ying	3,245,344	4.06	—	—	—	—	Shang He Investment Co., Ltd. Representative: Chen, Si-Ling	Relative within 2nd degree of kinship	—
Chen, Jou-Yu	3,289,097	4.11	—	—	—	—	Shang He Investment Co.,	Relative within 2nd degree of	—

Name	Shareholding by the individual		Shareholding of spouse and minor children now		Total shareholdings held in the name of others		The names and relationships of the top ten shareholders who are related to each other or who are related to each other as spouses or second-degree relatives.		Note
	Shares	%	Shares	%	Shares	%	Name	Relation	
							Ltd. Representative: Chen, Si-Ling	kinship	
Yu Lin Co., Ltd.	2,942,216	3.68	—	—	—	—	Yung Ching Investment Co., Ltd.	Person in charge The same person	—
Hou, Chia-Sheng	2,827,840	3.54	—	—	—	—	Yung Ching Investment Co., Ltd. Representative: Hou, Yuan-Hsuan	Director Relative within 2nd degree of kinship	—
Kuo Ju Investment Co., Ltd. Representative: Hsieh, Chia-Wei	2,304,243	2.88	—	—	—	—	Hsieh, Sheng-Kuo	Relative within 2nd degree of kinship	—
Wu, Ming-Yuan	1,772,144	2.22	1,079,000	1.35	—	—	—	—	—

Note 1: All the top ten shareholders shall be listed. In the case of institutional shareholders, the names of the institutional shareholders and the names of their representatives shall be listed separately.

Note 2: The shareholding percentage include shareholding in the name of the individual, his or her spouse, minor children or using the name of others, respectively.

Note 3: For the shareholders listed above, including juridical and natural persons, their relationship between each other in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be disclosed.

IX. The Number of Shares Held by the Company, Its Directors, Supervisors, Managerial Officers and Businesses Directly or Indirectly Controlled by the Company in the Same Investee, and the Combined Shareholding Ratio Shall be Calculated: None.

Three. Fundraising

I. Capital and Shares

(I) Sources of capital

1. Changes in the Company's stock capital for the last five years up to the date of publication of the Annual Report

Apr 14, 2025; Unit: Thousands of shares; thousands of NTD

Year and Month	Issue price	Authorized capital		Paid-in capital		Note		
		Number of shares	Amount	Number of shares	Amount	Share capital Source	Property other than cash is used as the share payments	Others
2021.07	10	168,000	1,680,000	69,305	693,050	Capital increase for employee stock options of \$5,050 thousand	—	Note 1
2022.01	10	168,000	1,680,000	78,545	785,450	Cash capital increase for initial TWSE listing of \$92,400 thousand	—	Note 2
2022.06	10	168,000	1,680,000	79,002	790,020	Capital increase for employee stock options of \$4,570 thousand	—	Note 3
2022.09	10	168,000	1,680,000	79,025	790,250	Capital increase for employee stock options of \$230 thousand	—	Note 4
2022.12	10	168,000	1,680,000	79,028	790,280	Capital increase for employee stock options of \$30 thousand	—	Note 5
2023.03	10	168,000	1,680,000	79,037	790,370	Capital increase for employee stock options of \$90 thousand	—	Note 6
2023.06	10	168,000	1,680,000	79,536	795,360	Capital increase for employee stock options of \$499 thousand	—	Note 7
2023.09	10	168,000	1,680,000	79,697	796,970	Capital increase for employee stock options of \$1,610 thousand	—	Note 8
2023.12	10	168,000	1,680,000	79,763	797,630	Capital increase for employee stock options of \$660 thousand	—	Note 9
2024.03	10	168,000	1,680,000	79,976	799,760	Capital increase for employee stock options of \$2,130 thousand	—	Note 10

Note 1: Approved by the Letter Jing-Shou-Shang-Zi No. 11001125870

Note 2: Approved by the Letter Jing-Shou-Shang-Zi No. 11001239790

Note 3: Approved by the Letter Jing-Shou-Shang-Zi No. 11101136840

Note 4: Approved by the Letter Jing-Shou-Shang-Zi No. 11101198530

Note 5: Approved by the Letter Jing-Shou-Shang-Zi No. 11230006660

Note 6: Approved by the Letter Jing-Shou-Shang-Zi No. 11230063380

Note 7: Approved by the Letter Jing-Shou-Shang-Zi No. 11230142030

Note 8: Approved by the Letter Jing-Shou-Shang-Zi No. 11230196800

Note 9: Approved by the Letter Jing-Shou-Shang-Zi No. 11330009080

Note 10: Approved by the Letter Jing-Shou-Shang-Zi No. 11330059310

2. Type of shares

Apr 14, 2025; Unit: Shares; NTD

Type of shares	Authorized capital			Note
	Outstanding	Unissued	Total	
Registered commons stock	799,760,000	880,240,000	1,680,000,000	Listed companies

II. List of major shareholders

Apr 1, 2024; Unit: Shares; %

Name of major shareholder	Number of shares held	Shares Ratio
Yung Ching Investment Co., Ltd.	6,753,732	8.44%
Ying Sheng Investment Co., Ltd.	5,163,485	6.46%
Shang He Investment Co., Ltd.	4,520,825	5.65%
Hsieh, Sheng-Kuo	4,480,259	5.60%
Chen, Jou-Yu	3,289,097	4.11%
Chen, Ying-Ying	3,245,344	4.06%
Yu Lin Co., Ltd.	2,942,216	3.68%
Hou, Chia-Sheng	2,827,840	3.54%
Kuo Ju Investment Co., Ltd.	2,304,243	2.88%
Wu, Ming-Yuan	1,772,144	2.22%
Total	37,299,185	46.64%

III. The Company's dividend policy and implementation status:

(I) Dividend policy:

1. In accordance with the Company's Articles of Incorporation, if there are net profits in the Company's annual final accounts, it should provide for tax payables in accordance with the law, make up for accumulated losses, then allocate 10% as legal reserve after adding up items other than net profit after tax for the year, but when legal reserve has reached the amount of the Company's paid-in capital, no more legal reserve should be provided for, and special reserve should be appropriated from the remainder or reversed in accordance with the law. Based on the surplus earnings, if any, together with accumulated undistributed earnings, the Board of Directors shall prepare an earnings distribution proposal and submit it to the shareholder meeting for a resolution to distribute dividends to shareholders.

If the aforementioned earnings, legal reserve and capital surplus are distributed in cash, the Board of Directors is authorized to distribute them by a resolution of a two-thirds majority of the Board of Directors and a majority of the Board of Directors present, and report to the shareholders' meeting. If the distribution is in stock, a resolution by the shareholders' meeting is required.

2. The Company's dividend policy provides that no less than 10% of available-for-distribution earnings should be allocated for dividend distribution to shareholders each year with consideration of the industrial environment, investment environment, capital requirements, profitability, capital structure and future operating needs, with the interests of shareholders and balance between dividends and the Company's long-term financial planning taken into account. No distribution is required if the dividend is less than \$0.1 per share; the dividends may be paid in cash or in stock, with the cash dividend not less than 30% of the total dividend.

(II) Distribution of dividends for 2024:

On March 7, 2025, the Board of Directors approved the 2024 earnings distribution proposal with cash dividends of NT\$12 per share, amounting to NT\$959,712 thousand.

IV. Impact of the distribution of bonus shares proposed in the present shareholders' meeting on the business performance of the Company and earning per share: Not applicable.

V. remuneration of employees and directors

(I) Information on the percentage or range of remuneration of employees and remuneration of directors in the Articles of Incorporation:

The Company shall set aside 5% to 10% of its annual profit, if any, as remuneration to employees, which shall be distributed in stock or cash by resolution of the Board of Directors; not more than 3% of the above profit as remuneration to directors in cash by resolution of the Board of Directors. The distribution of remuneration to employees and directors should be reported to the shareholders' meeting.

(II) With regard to the estimated basis for calculation of remuneration of employees and remuneration of directors, the accounting process for the share calculation basis for the distribution of employees' remuneration in the form of shares and the accounting handling for any discrepancy between the actual distribution amount and the estimated value is made:

The estimated amount of remunerations to employees and directors is based on the net profit before tax for the period in accordance with the appropriation percentage under the Company's Articles of Incorporation and is recognized as salary expense. If there is a change in the amount after the publication of the annual standalone financial statements, the change will be treated as a change in accounting estimate and adjusted to the profit or loss of the following year.

(III) Distribution of remuneration approved by the Board of Directors:

1. Remunerations to employees and directors distributed in cash or stock If there is difference in the expense annual estimation amount recognized, then the difference amount reason and handling status shall be disclosed.

On March 8, 2024, the Board of Directors approved the distribution of remunerations to employees and directors in cash, and the amounts of remunerations to employees and directors were NT\$123,437 thousand and NT\$31,888 thousand, respectively, with no difference from the amount recognized as expense.

2. The proposed amount of stock-based profits sharing with employees and its proportion to the net profits after-tax and total profits sharing amount to employees for the period: Not applicable: No such cases.

- (IV) Actual distribution status (including number shares, amount and share price of the distribution) of the employees' bonus and remunerations of directors in the previous year, and if there is any difference in the recognition of the remuneration of employees and remuneration of directors, the difference amount, reason and handling status shall be explained:

Unit: Shares; NTD

Item	Previous Year (Distribution of 2022 Earnings in 2023)			
	Actual Distribution Amount	Board Resolution Amount	Difference Amount	Reason for the Difference
1.Employee Cash Bonus	123,437,360	123,437,360	0	No Difference
2.Employee Stock Bonus				
Number of Share	0	0	0	
Amount	0	0	0	
3.Director Remuneration	31,887,985	31,887,985	0	

VI. Repurchase of the Company's shares: The Company had no such cases.

VII. Issuance of corporate bonds: The Company had no such cases.

VIII.Issuance of preferred shares: The Company had no such cases.

IX. Issuance of overseas repository receipts: The Company had no such cases.

X. Employee stock options:

- (I) Outstanding employee stock options as of the date of publication of the Annual Report and the effect on shareholders' equity.

April 14, 2024

Type of employee stock options:	First employee stock options in 2019
Filing effective date and total units	Not applicable / 2,000 unit
Issue date	2020/5/27
Number of units issued	2,000 units (2,000 thousand of shares)
Number of units wasn't issued	0 unit
Number of shares to be subscribed as a percentage of total number of issued shares	2.91%
Duration	4 years
Contract performance method	Delivery by issuance of new shares
Restriction subscription period and percentage (%)	The stock option holders may exercise their stock options after being granted the employee stock options according to the following schedule: 30% available for subscription after 1 year 60% available for subscription after 2 years 100% available for subscription after 3 years
Number of exercised options	1936 thousand of shares
Amount of exercised options	NT\$77,375 thousand
Number of unexercised options	0 shares (Note)
Subscription price per share for unexecuted options	NT\$31.7
Number of unexercised options as a percentage of total number of issued shares	0 %
Effect on shareholders' equity	Employee stock options can attract and retain the necessary talents, and increase the motivation of employees, which will positively contribute to the development and interests of the Company, therefore, the effect on shareholders' equity is limited.

Note: 64 thousand shares were cancelled due to employee departure and reaching expiration without execution.

(II) The name and the situation of acquisition and subscription of the managerial officers with employee stock options, and of the employees among the top 10 largest employee stock options.

April 14, 2025; Unit: Thousands of shares; thousands of NTD

Title	Name	Number of acquired options	Number of acquired options as a percentage of total number of issued shares (%)	Exercised				Unexercised			
				Stock options Quantity	Stock options Price	Stock options Amount	Number of stock options as a percentage of total number of issued shares (%)	Stock options Quantity	Stock options Price	Stock options Amount	Number of stock options as a percentage of total number of issued shares (%)
Managerial officer	President	Hou, Chia-Sheng	520	520	41.3	21,476	0.65%	0	31.7	0	0%
	CEO	Li, Yuan-Chung									
	Vice President	Huang, Yu-Ming									
	CFO	Liu, Yen-Chih									
Employee (Note)	Sales Assistant VP of Subsidiary	Chao, Song	535	535	40.23	21,524	0.67%	0	31.7	0	0%
	Special Assistant of the Chairperson's Office	Chen, Wen-Long									
	Assistant VP, Sales	Zhuang, Wen-Rong									
	Sales Manager of Subsidiary	Chiu, Ming-Hsiang									
	Product Development Department Manager:	Chang, Zhi-Cheng									
	R&D Manager of Subsidiary	Huang, Chong-Ji									
	Assistant Manager of the Sales Department	Chien, Hsu-Wai									

	Assistant Manager of the Production Department	Hung, Rong-Chi										
	Assistant Manager of the Management Department	Wang, Zhen- Long										
	Plant Manager of Subsidiary	Huang, Yao- Liang										
Note: The employees among the top 10 largest employee stock options refer to employees other than managerial officers.												

XI. Employee restricted stocks: The Company had no such cases.

XII. Issue of new shares for mergers and acquisitions of or transfer of shares from another company: The Company had no such cases.

XIII. Implementation of the capital utilization plan (any previous issuance or private placement of marketable securities not yet completed or already completed within the last three years and the plan's benefits not yet demonstrated): The Company had no such cases.

Four. Overview of Operations

I. Information on Business:

(I) Scope of business:

1. The main contents of the Company's business are as follows.

- (1) Coating treatment of various metal and non-metal surface, and special surface treatment of various machinery and parts.
- (2) Trading of finished and semi-finished products such as fluoropolymer raw materials, round bars and flat plates.
- (3) Design, manufacturing and trading of industrial conveyor belts made of fluoropolymer.
- (4) Design, manufacturing and trading of fluoropolymer lining for the heat exchanger of chemical industry engineering, pollution prevention machinery and equipment, tanks, pipes and coils.
- (5) Import and export of the preceding products.
- (6) Plastic Sheets, Pipes and Tubes Manufacturing.
- (7) Plastic Sheets and Bags Manufacturing.
- (8) Industrial Plastic Products Manufacturing.
- (9) Mechanical Equipment Manufacturing.
- (10) Pollution Controlling Equipment Manufacturing.
- (11) Electronics Components Manufacturing.
- (12) Machinery Installation.

2. Main products and business proportion

Unit: Thousands of NTD; %

Product	2024FY	
	Net operating income	Sales percentage
Fluorine lined equipment	4,644,264	71.92%
Fluorine lined pipe & fitting	562,980	8.72%
Fluorine application materials	897,228	13.89%
Fluorine engineering revenue	352,927	5.47%
Total	6,457,399	100.00%

3. Current products (services) of the Company

- (1) Manufacturing of fluoropolymer lining materials, sheets, tubes and rods.
- (2) Design and manufacturing of fluoropolymer lining tanks, towers and heat exchangers.
- (3) Design and manufacturing of fluoropolymer lining tubes.
- (4) Fluoropolymer surface treatment and manufacturing.

- (5)Chemical purification system, recycling system, equipment design and manufacturing.
 - (6)Design and manufacturing of electronic chemical storage and transportation equipment.
4. New products (services) planned to be developed:
- (1)Development of new surface treatment method and liquid medicine formulation.
 - (2)Development of high frequency fluorine substrate materials.
 - (3)Special fluorine material microporous development and processing.
 - (4)Development of fluorine composite materials.
 - (5)Automatic production line for modified fluorine materials.
 - (6)New process equipment processing for fluorine tube materials.
 - (7)New production line for hot-melt fluorine materials.

(II) Overview of Industry:

1. Current state and development of the industry

Fluorine materials are acid and alkali resistant, resistant to various organic solvents, and are insoluble in almost all solvents. At the same time, fluorine materials have the characteristics of high temperature resistant and non-adhesive, and the coefficient of friction is extremely low, and it can also be used as lubricant. High-tech and high-quality industries use them extensively, and they are indispensable for traditional industries as well. They have even been used in daily life, from machines and equipment operating in high-temperature chemical environments to non-stick pans and water pipes, all of which can be seen in daily life. Their importance and popularity are evident.

Fluoropolymers have excellent chemical resistance and electrical insulation properties, and they do not change their properties at high or low temperatures. Fluoropolymers are used when other plastics are not applicable, so they are called the king of plastics. Their permeation resistance, chemical resistance, non-flammability, non-precipitation and high cleanliness properties are unsurpassed by other plastic materials, making them widely used, especially in the electronics and petrochemical industries. As such, they occupy a place in the electronics and petrochemical industries, which have strict requirements on the reaction environment.

Our main business is the processing of fluoropolymers, from semi-finished materials, various fluorine sheets, films, materials and tubes, to lined and coated products such as lined/coated storage tanks, lined/coated reaction equipment, lined/coated pipes, pure fluorine containers, cleaning equipment, process equipment, pipes and connectors, etc. All of which are indispensable members of the industry. The industries we mainly serve are electronic industry (semiconductor and panel) and petrochemical industry, and the current status of the main industries of application is described as follows.

(1)Semiconductor industry

In addition to acid and alkali resistance, fluorine products for the semiconductor industry demand strict cleanliness for chemical-related applications. Fluoropolymers can meet the needs of the semiconductor industry for chemical applications.

Because of the ozone-resistant, high cleanliness and no precipitation characteristics of fluorine materials, fluoropolymer products play a critical role in the production of electronic grade chemicals, which are key materials in the upstream of the electronics industry. The EL Grade chemicals used in the electronic manufacturing process require high cleanliness, especially in the high-end IC process, where the level of cleanliness will determine the yield of the final product. Only high cleanliness raw materials can produce high quality electronic grade chemicals, such as high purity solvents like hydrofluoric acid, sulfuric acid, nitric acid, ammonia for the wet etching process, process gases like NF₃, SF₆, C₄F₈, CF₄, HF for the dry etching process or cleaning process acids. Therefore, in the overall IC process, in order to ensure the quality of the final product, all devices and equipment that come into contact with chemicals, from the chemical supplier to the plant's loading tank car, filling machine, transport piping, equipment and equipment for storing/reacting chemicals and special gases, to the piping at the process end, must be made of materials with corrosion resistance and high cleanliness without precipitation. Therefore, fluorine material is crucial in the semiconductor chemical system and is the only choice from purification production, storage to transmission.

In addition, the chemicals used in the semiconductor process are large in volume and corrosive, and after the recycling and purification process, the discarded chemicals still have the value of reuse, which is in line with the green issue of environmental protection. Therefore, corrosion-resistant fluorine materials are required at the downstream end to ensure the quality of subsequent chemical recycling operations. As the semiconductor industry continues to upgrade its manufacturing processes, the industry's requirements for cleanliness (Particle and Metalion) in the process are becoming more stringent, and the importance of the related product applications is becoming more apparent.

According to IDC's semiconductor research in the Asia-Pacific region, "Geopolitical influences have formed strong driving and pulling forces, leading to a new wave of regional shifts in the semiconductor industry chain. Countries will pay more attention to the autonomy, security, and controllability of their own supply chains. In the future, the semiconductor industry will shift from globalization and supply chain functional collaboration towards multi-regional, multi-ecosystem competition. Although short-term geopolitical factors may not immediately affect businesses, in the long run, they will become increasingly important considerations and development keys for the semiconductor industry in terms of market, efficiency, and cost."

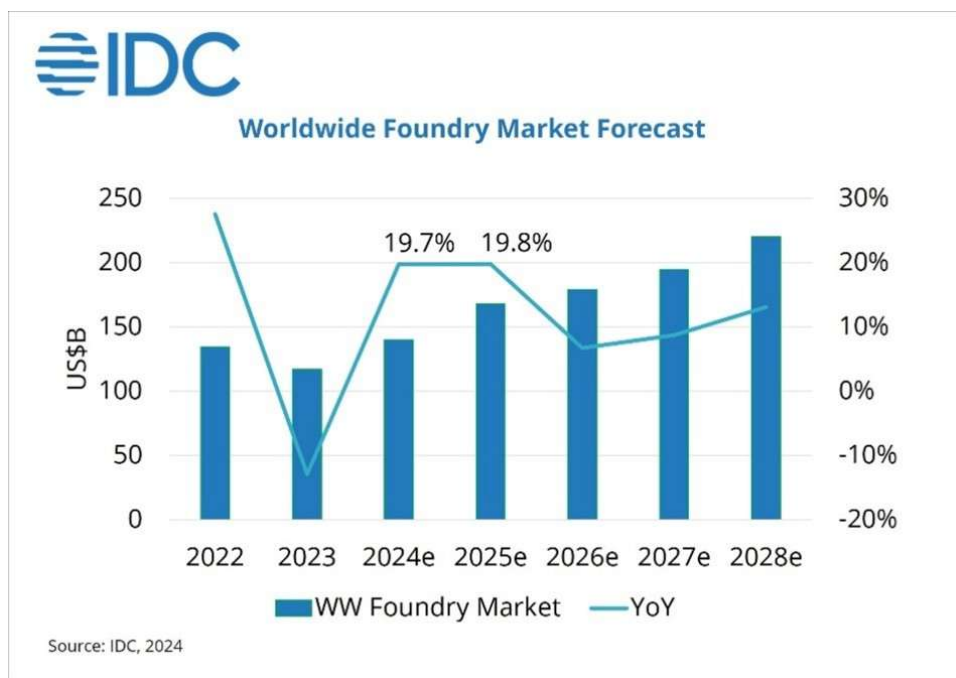
Therefore, the increase in capital expenditure and related investment by major semiconductor manufacturers will lead to a higher demand for related equipment and plant construction, which is expected to drive business opportunities in the related supply

chain.

2025 is set to be a pivotal year for semiconductor technology, particularly with the mass production of the 2nm process node. Major foundries such as TSMC, Samsung, and Intel are expected to enter the 2nm production phase in 2025, which will further accelerate the development of high-performance computing (HPC) and artificial intelligence (AI) applications.

In addition, the rise of generative AI has significantly boosted demand for AI chips. The AI semiconductor market is projected to reach USD 196.5 billion by 2028, up nearly fourfold from USD 53.7 billion in 2023, signaling that AI technologies will be one of the primary growth drivers for the semiconductor industry in the coming years.

However, U.S. trade and tech policies—especially amid uncertainties if Donald Trump returns to office—could have a significant impact on the global semiconductor market in 2025. Meanwhile, China is rapidly expanding its mature process capacity under its "semiconductor self-sufficiency" policy, and is expected to continue increasing its market share in OSAT (outsourced semiconductor assembly and test) by 2025.



According to a SEMI report, 18 new semiconductor fabs are expected to begin construction in 2025, including 3 eight-inch fabs and 15 twelve-inch fabs. These projects are geographically diverse, spanning the Americas, Japan, China, Europe, the Middle East, Taiwan, South Korea, and Southeast Asia. This reflects the global semiconductor industry's optimistic outlook on future market demand.

(2) Panel industry

The panel industry is a high-tech industry and is a key component of most electronic products. The panel industry is a highly mature industry, and the industry is now striving to break away from the production capacity competition and transform into "Display everywhere." In particular, under the development of the field economy, we have diversified our panel business model to include food, clothing, housing, transportation, education and entertainment, as well as new businesses such as smart retail, health business, circular economy and smart industrial services. It is an indispensable human-machine interface for the future life and thus establishes a new ecosystem for the industry.

The maturation and expanding application of OLED technology has become a major trend in the display industry. Initially used in smartphones, OLED is now being adopted in tablets, laptops, monitors, wearable devices, and automotive displays. The penetration rate of OLED laptops is expected to rise to 3% in 2024, and surpass 5% by 2027.

Taiwanese panel manufacturers such as AUO and Innolux are actively investing in Micro LED and FOPLP (Fan-Out Panel Level Packaging) technologies to enhance competitiveness and explore new application domains. This indicates that Taiwanese players are proactively seeking technological breakthroughs and market expansion amid the global transformation of the display industry.

According to an IDC report, global shipments of large-size display panels declined in Q4 2024:

- TV panels: down 7.7% month-on-month
- Monitor panels: down 17.7%
- Notebook panels: down 28.0%
- Tablet panels: down 13.9%

However, a rebound is expected in Q1 2025, showing signs of a "mild off-season."

In the smartphone panel segment, the global smartphone market is projected to grow by 3% in 2024, driving smartphone panel shipments to 2.066 billion units, up 6.7% year-on-year. In 2025, due to steady new device demand and a potentially flat or slightly declining second-hand market, smartphone panel shipments are expected to see a modest decline of 1.7%, to 2.032 billion units.

Chinese manufacturers are set to dominate the smartphone panel market, with a projected market share exceeding 70% in 2025. Among them, BOE and HKC stand out for their strong performance. In the TV panel market, BOE and CSOT (China Star Optoelectronics Technology) are expected to retain the top two positions globally, while Innolux and HKC are locked in a tight race for third place.

The display panel market is projected to grow from USD 166.8 billion in 2025 to USD 199.84 billion by 2030, with a compound annual growth rate (CAGR) of 3.68%.

According to DIGITIMES, the rise of AI technologies is expected to stimulate device upgrades, boosting panel shipments and ushering the display industry into a growth phase.

(3) Petrochemical industry

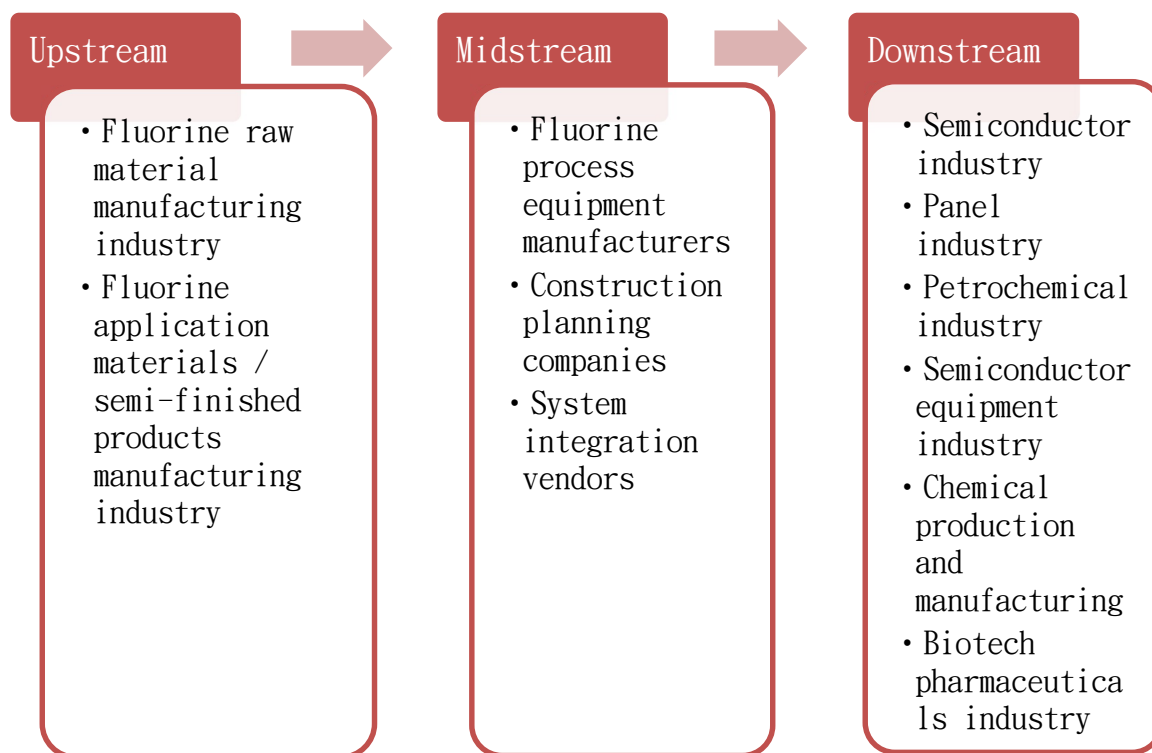
The petrochemical and plastic industries are the pillar industries of various industries. All kinds of daily necessities used in food, clothing, housing and transportation are made from chemical raw materials such as plastics, rubber and artificial fibers, such as plastic products, rubber products, cleaning agents, artificial fibers, pigment dyes, adhesives, plasticizers, pesticides, cosmetics, etc. Their applications are quite extensive.

Upstream of the petrochemical and plastic rubber industry chain are crude oil, light oil refined from crude oil, gasoline, diesel oil, kerosene, fuel oil, lubricating oil, etc. The refining process of crude oil includes first, physical separation of gravity, distillation, evaporation, crystallization, absorption and adsorption, extraction; and second, chemical reforming cracking, restructuring, isomerization, alkylation, polymerization, and the by-products generated by the refining process such as sulfuric acid has strong corrosive properties, so fluorine products with strong chemical resistance can be used in the upstream end of the petrochemical refinery process.

After entering the midstream section, the upstream raw materials are cracked to produce basic petrochemical raw materials such as ethylene, propylene, butadiene, benzene, phenols, etc., and the above raw materials are then polymerized, esterified, alkylated or other chemical reactions to produce plastics, rubber, artificial fibers and other chemical raw materials. At this stage, due to the large number of chemical reactions involved, the petrochemical process must overcome the characteristics of high temperature, high pressure and high vacuum, while acid and alkali corrosion resistance is the main demand. Therefore, the design and production of petrochemical process equipment, such as the production of various reactor, storage tank and tower design and efficiency improvement, lined pipe design and manufacturing and installation engineering, heat exchanger design and manufacturing, filter, valve and hose design, manufacturing, etc., can be created by the characteristics of fluoropolymers to create a high-performance and high-yield process environment.

Under the challenges of environmental and climate change, in response to the increasing scarcity of resources, drastic changes in material prices, changing consumer preferences, development of green energy, reduction of waste and avoidance of ecological havoc caused by waste, the petrochemical industry is prompted to reduce the environmental impact of its own operations and to make more effective use of limited resources to maximize resource efficiency. This kind of thinking will encourage enterprises to consider the reduction of resource waste and increase the use of recycled materials when developing new products, so as to introduce a circular economy and respond to the green trends, which in turn will help the industry to transform and innovate the business models.

2. The correlation between upstream, midstream and downstream sections of the industry:



3. Development trends of products

(1) Fluorine materials

Due to the characteristics of fluorine materials, various fluorine processing fields, the expansion of fluoropolymer material technology applications and the development of composite materials have become the goal of the industry's efforts to provide customers with better manufacturing and service quality, as well as to meet the various needs of the specialty chemical, biotechnology, pharmaceutical, semiconductor, optoelectronics and machinery industries.

(2) Process equipment

The process supply equipment technology is becoming mature. In addition to the increasing demand for cleanliness as technology advances, the future trend is to have the ability to customize, design and adjust equipment, process design and plant construction methods to meet customer needs. In addition, due to the huge investment in the production process of the semiconductor and panel industry, any failure in the process supply process may result in huge losses, therefore, customers demand high quality and stability, and therefore have higher loyalty to quality suppliers, which raises the entry barrier for late entrants.

In addition, as environmental protection issues continue to develop in the technology industry in various countries, the concept of waste reduction and recycling is no longer compatible with the increasingly stringent environmental protection regulations and social needs, and innovative solutions to remove, reduce and replace chemicals from the process must be developed at the source.

4. Competition situation

(1) Fluorine lining equipment

In Taiwan, there are only two Japanese companies as our main competitors in the IC process supply chain of the high-end market because of the strict requirements for high purity of products. In general, there are two to three local companies in the middle- and low-end markets for applications that require less cleanliness and corrosion resistance.

In recent years, China has been investing in the development of the IC industry, so the Japanese and Korean fluorine processors have been setting up factories to grab the market. For high-end advanced manufacturing processes, suppliers are more carefully selected due to the more stringent customer requirements. In the IC industry, there are many local manufacturers in China that can provide products with competitive price because of the relatively low technical requirements in the middle- and low-end markets.

In Asia, Japan and Korea are relatively advanced and mature markets for the IC industry, so they have established complete supply chains for upstream and downstream fluorine products. Due to regional and ethnic characteristics, it is less possible for the semi-finished and finished products of fluorine processing to be exported from Taiwan.

(2) Fluorine application materials

Fluorine application materials include fluorine lined pipe fittings, and fluorine raw material tubes and sheets. For fluorine lined fittings, these products have more local production characteristics than fluorine lined equipment. Teflon lined fittings require high chemical permeation resistance, high corrosion resistance and high purity performance with low contaminant precipitation. Therefore, the selection of raw materials, different manufacturing techniques, process equipment requirements, SOP implementation, finished product QC inspection, and R&D team results are all critical to the success or failure in terms of quality. Among the global competitors, except for the advanced countries such as Europe, America, Japan and Korea, our products rank among the top in the world in terms of quality of high-end lining fittings. The Company has been striving to expand the product range of lined pipe fittings and become one of the most extensive suppliers of lined pipe fittings in the world. Our products are used in the semiconductor industry, panel industry, petrochemical industry, biotechnology and pharmaceutical industry, environmental protection and recycling industry, etc.

In terms of fluorine raw material tubes and sheets, the Company is a global material supplier, focusing on high-specification and high-purity applications. At present, there are only five or so companies in the global market that have the ability to make fluorine plastics into high grade sheets. We have a similar market share in Asia as those of our European and Japanese counterparts.

(3)Fluorine engineering revenue

After decades of development, the technology of plant engineering has become mature, but the complexity of engineering management and the nature of rapid response services still test the organization's ability to respond, especially because the contents of high-tech process plant supplies are dangerous and need to meet high safety, high stability, high cleanliness, automatic design and quality standards. The design and quality standards require long-term customer certification and word-of-mouth recommendations, making the overall management threshold high and making it difficult for potential competitors to enter the market.

The Company has been engaged in fluoropolymer research for 40 years, and has many patents and ISO certifications. Over the years, we have displayed a lot of high-quality performance, we not only have a place in the high-tech and petrochemical industry in Taiwan but also have obtained orders from the state-owned, high-tech industry and private enterprises in China for many years. We are highly competitive in terms of technology and quality.

(III)Overview of Technology and R&D:

1. Technology level of the Company's business

Since its establishment in 1981, the Company has been dedicated to the fluoropolymer processing application. With decades of experience in the production of fluoropolymer materials, we have accumulated core technology research and development achievements in the production process of our products, and obtained dozens of patents from many countries. Through continuous improvement in technology and quality, we provide customers with high-quality and high value-added end products. By focusing on the research and development of core technologies, we have been able to provide our customers with better manufacturing and service quality in the chemical industry, as well as meet the needs of the specialty chemical, biotechnology, pharmaceutical, semiconductor, optoelectronics and machinery industries. For the new generation of fluorine processing capability, we are also striving for precision, step by step.

We have long been devoted to the fluorine industry and specialize in the development of fluoropolymer processing, especially in the field of corrosion resistant tanks and reaction equipment. Through the quality control of raw materials and vertical integration of production technology, we have been applied to the chemical processes of precision chemicals and advanced semiconductor manufacturers through the customization of customer on-site equipment service.

Our products such as chemical tanks, heat exchangers, integrated filters, chemical tank cars and related accessories are all certified by ASME and U-STEMP/CE/ LR/BV in the international arena. The company has a full range of high purity products across a wide range of needs. We are one of the very few fluoropolymer processors in the world that can meet all the requirements of different industries in terms of equipment, manufacturing, R&D,

innovation and design, especially in the semiconductor and panel industries. Particularly, in the advanced semiconductor and panel industries, our products have been recognized and adopted by the top three semiconductor industries worldwide.

With precise project planning and product integration capabilities, we have developed and produced our own chemical delivery, mixing and dilution systems, high purity chemical acid supply systems, tubing, tank and tank car, waste acid discharge systems, and even corrosive gas discharge lines from IC and TFT-LCD process reactions, providing a series of effective solutions for the semiconductor industry, and extending our services to the pharmaceutical, biochemical, petrochemical and conventional chemical industries as a fully integrated service provider for fluoropolymer processing applications.

2. Research and development status

(1) Development of microporous membrane (tube) materials

Fluorine material microporous membrane is mainly PTFE and PVDF, and PTFE is better than PVDF due to its corrosion resistance and high temperature resistance. Since its processing technology is difficult, the global demand for high-performance filtration microporous fluorine material becomes more and more important. We are continuing to develop PTFE microporous materials, from raw material selection, manufacturing process, manufacturing technology and specification inspection, and accumulate microporous material preparation technology capabilities.

There are different requirements for different filtration layers, such as membrane distillation, filtration, oil-water separation, gas-solid separation, etc., which need to be achieved with rigorous experimental design and planning. Each of these characteristics, from source materials, formulation research, equipment development, and process parameter research, have an indispensable linkage to the product characteristics.

Our company continues to invest in the development of PTFE microporous membranes (tubes), accumulating extensive practical experience in the fabrication of microporous materials. We have completed engineering verification and trial production with small-batch samples. In addition to optimizing process parameters and adjusting equipment conditions, the microporous membranes have undergone performance testing and precision inspection using advanced instrumentation to ensure the micropore specifications of the products meet international standards.

Through the R&D process, we have acquired key technologies essential for mass production of microporous materials. With further performance verification during pilot production, we aim to advance to the next stage of mass production planning for microporous membranes (tubes).

Planned application field testing will cover common membrane applications such as water resource recovery, precision chemical filtration, gas filtration, and medical applications, among others.

(2)Development of Module Application Products and Filtration Systems

As environmental issues gain increased attention, water pollution has become a growing concern, driving demand for water filtration technologies across industrial and domestic sectors. Water filtration primarily targets suspended particles, microorganisms, and organic pollutants to ensure water safety. Ammonia nitrogen chemical filtration focuses on nitrogen-containing pollutants—such as industrial and aquaculture wastewater—removing ammonia nitrogen through chemical precipitation, oxidation, and biodegradation to reduce environmental impact. Metal wastewater filtration is applied in industries such as electroplating, mining, and electronics manufacturing, using chemical precipitation, adsorption, and membrane filtration technologies to remove heavy metal ions and prevent harm to ecosystems and human health.

Shang Pin utilizes its self-developed microporous membrane/tube materials to develop filtration modules tailored to specific applications. Leveraging the company's design capabilities, various filtration systems are developed according to the needs of each application area, ensuring that different requirements are met with appropriate filtration technologies and specifications. By harnessing the properties of PTFE membrane materials, the systems are suitable for high-precision gas or liquid filtration applications.

Additionally, the company has begun designing membrane distillation modules, combining Shang Pin's engineering expertise with fluid dynamics and chemical/environmental engineering technologies. These modules are aimed at zero liquid discharge (ZLD) environmental applications, where the advantages of fluoropolymer materials can be fully realized.

(3)ETFE Release Film Product Development

ETFE release film is a high-performance fluoropolymer film characterized by excellent chemical resistance, high thermal stability, low surface energy, and outstanding mechanical strength. Its smooth surface and exceptional anti-adhesive properties make it widely applicable in precision electronics, composite material molding, lithium battery electrode manufacturing, and the semiconductor industry. Compared to traditional PET or silicone-coated release films, ETFE release films maintain stability under extreme conditions and are suitable for repeated use, effectively reducing overall costs. This product can be treated with single-sided or double-sided release coatings to meet various process requirements, making it a premium choice for high-end release applications.

Leveraging its expertise in fluoropolymer material processing and sensitivity to industry demands, we have invested in the development of ETFE film materials and has already acquired key manufacturing capabilities and experience for certain product lines. However, to ensure stability and reliability in real-world applications, further validation and optimization are still required. Through continued testing and customer feedback, we aim to refine the product to meet the needs of diverse application scenarios. Looking

ahead, we will strengthen technical R&D and quality control efforts to ensure that ETFE release film becomes a highly efficient and stable release solution that supports the advancement of related industries.

(4)Development of composite materials

To address the diverse application needs of filtration materials, the company has invested in the development of composite membrane materials. By combining its self-developed PTFE microporous membranes with PP or PET nonwoven fabrics, the company aims to meet various performance requirements. These PTFE composite membranes offer high filtration efficiency, breathability and waterproofing, chemical resistance, and heat resistance, making them highly promising for development in a wide range of high-end application markets.

3. Research and development expenses for the most recent year up to the date of publication of the Annual Report

Unit: NTD thousand

Item	2024FY	2025 up to March 31 (Note)
R&D expenses	129,416	24,114
Net operating income	6,457,399	965,850
As a percentage of net sales	2.00%	2.50%

Note: Not yet reviewed by CPAs

4. Technology or products successfully developed

We specialize in the development and application of fluoropolymer (Teflon) processing, and have developed and produced our own chemical delivery, mixing and dilution systems, high purity chemical acid supply systems, tubing, tank and tank car, waste acid discharge systems, and even corrosive gas discharge lines from IC and TFT-LCD process reactions, providing a series of effective solutions for the semiconductor industry. Recent product developments are as follows.

Item	Technology or products successfully developed
New product development	<ol style="list-style-type: none"> 1. Fluoropolymer granulation products. 2. PFA rotationally molded containers. 3. Injection fluorine lined tubing. 4. Butterfly type vacuum resistant PTFE compensator. 5. Special temperature resistant fluorine pipe fittings. 6. Teflon spiral pipe. 7. Powerful expansion joint. 8. Diaphragm valve diaphragm.
Process technology	<ol style="list-style-type: none"> 1. PTFE powder automatic filling device. 2. Teflon plate/tube mating equipment. 3. Cleaning and packaging equipment. 4. Fluorine tank automatic cleaning device. 5. Wet automatic pressurized tank device. 6. Automatic processing machine for fluorine lining tube. 7. Teflon laminate production equipment. 8. Teflon automatic welding machine.
Quality upgrade	<ol style="list-style-type: none"> 1. Reaction tank for PFA thick coating. 2. High performance lined tubing. 3. Energy saving special corrosion resistant mixer unit. 4. Product defect automatic detection device.
System engineering	<ol style="list-style-type: none"> 1. Electronic grade chemical purification equipment. 2. Electronic chemical recycling plant. 3. Clean chemical mixing equipment.
Mold R&D	<ol style="list-style-type: none"> 1. Extrusion molds for corrosion resistance. 2. Multi-cavity corrosion resistant injection mold kernel. 3. Large fluorine tube molding dies.

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

1. Short-term business development plans:

- (1) Strengthen customer relationships, and provide complete and prompt customer service.
- (2) Continue to expand market share of high-tech process equipment and engineering in China, in line with China's industrial policy.
- (3) Continue to expand market share of high-tech process equipment and engineering in the U.S., in line with the localization policy of the U.S. industry.
- (4) Regional economic development is taking shape, with Europe, the U.S., Japan and Southeast Asia (Singapore and Malaysia) all investing in new semiconductor production to reach and expand the development of each region.
- (5) Develop India and Southeast Asia distributors to expand the Southeast Asian market.
- (6) Continue to recruit and train talents to build up a talent pool for the stable development of the company.
- (7) Continue to participate in domestic and international academic exchanges and research to enhance the technical level.

2. Medium- and long-term business development plans:

- (1) Continue to conduct R&D for process auxiliary equipment to enhance product differentiation and increase product added value.
- (2) Invest in the exploration of new applications, and expand product lines and sales of new processes.
- (3) Continue to develop and upgrade environmental protection and waste reduction technologies to increase the entry barrier in line with the national environmental protection policy
- (4) Cultivate talents for overseas markets and continue to develop new regions: Middle East and Europe.
- (5) Continue to improve and review existing production processes, and accelerate the progress of factory automation to improve product quality and production efficiency, shortening customer delivery time.

II. Overview of Market, Production, and Sales:

(I) Market analysis:

1. Sales region for major products (services)

The Company and its subsidiaries currently provide fluoropolymer equipment, fluoropolymer application materials and integrated services mainly in the domestic market and Mainland China.

2. Market share

The Company's production and sales scope covers the upstream, midstream and downstream of the fluoropolymer industry, and can provide complete solutions to meet customers' needs. Therefore, the Company covers a wide range of markets, from the supply of raw materials, sheets and fittings to manufacturers in the industry to the supply of various fluoropolymer products such as drums and tanks, tower joints and other finished fluoropolymer products, and even the planning of fluoropolymer-related systems and equipment so we cover a wide range of markets. As far as the supply of raw materials, sheets and tubes is concerned, there are only a few companies in the world that have the ability to supply sheets and tubes of fluoropolymer, and we are one of them. As for the planning of fluoropolymer application equipment and plant systems, the Company mainly provides system design, equipment manufacturing, piping construction, installation and testing services for high-tech industries such as semiconductor and panel manufacturing. There is no industry research institute that provides statistical information on the industry to which it belongs, so there are no clear statistics to be used as the basis for calculating the market share.

According to a SEMI report, 18 new semiconductor wafer fabs are expected to begin construction in 2025, including 3 for 8-inch wafers and 15 for 12-inch wafers. These fabs will be built across a wide range of regions, including the Americas, Japan, China, Europe, the Middle East, Taiwan, South Korea, and Southeast Asia. This reflects the global semiconductor industry's optimistic outlook on future market demand.

3. Future supply and demand, and growth of the market

As the technology and demands in the high-tech industry are changing rapidly, the semiconductor process is becoming more and more sophisticated, and the requirements for materials and equipment are becoming more stringent. Suppliers need to adapt to the pace of market changes and expand their business development to survive and grow rapidly under the elimination mechanism between superiority and inferiority in the market.

As for the supply side, there are many competitors in the middle- and low-end markets due to the low technical requirements of fluoropolymer processors, but there is a lack of high quality suppliers in the high-end market, such as the material and equipment supply chain for the semiconductor industry processes and electronic chemicals, and there are few suppliers who can provide products that meet the requirements of advanced IC processes. Therefore, the Company has positioned itself to target the high-end market. For example, in the electronics industry in Mainland China, the Company is the leader in the Chinese market and

is emulated by Mainland China companies. In addition, the Company has a proven track record in the electronic chemical and semiconductor industries in Taiwan and Korea, so the Company is the preferred partner of our customers.

The petrochemical industry has become more careful about the safety of chemical operations in response to regulations and industrial safety requirements. The Company is able to achieve one-stop control of the production system, from the raw material end to the final product, so that we can maintain stable production or even improve it with full control of product quality and industrial safety requirements. With these two prerequisites, it is not easy for latecomers to enter this high-end petrochemical market.

Competition in China is fierce, mainly due to the long history of the chemical industry in China and its well-developed supply chain. The Company's strength lies in the selection of raw materials with international standards and the stable quality of production under high safety requirements, therefore, the Company differentiates itself in China with high-end quality and safety requirements. The Company is also one of the leading suppliers of the chemical industry in China, and continues to accumulate and expand its chemical customers.

The SEMI report indicates that global silicon wafer shipments are expected to decline by 2% in 2024, reaching 12,174 million square inches (MSI). However, a strong rebound of 10% is projected for 2025, bringing shipments up to 13,328 MSI. This recovery is mainly driven by improved global semiconductor capacity utilization and continued growth in demand related to AI and advanced process technologies.

SEMI also forecasts that global semiconductor equipment sales will reach a record high of \$139 billion in 2026. Wafer equipment sales are expected to grow by 5.4% in 2024 to \$101 billion, followed by a 6.8% increase in 2025, and a further 14% growth in 2026, reaching \$123 billion. The main growth drivers include investments in DRAM and HBM fueled by AI computing, as well as continued equipment investments in China.

Taiwan is a global leader in high-end semiconductors, and continues to maintain R&D momentum to update processes in an attempt to close the gap with other competitors. In addition, China continues to increase its investment in the semiconductor industry, not only to accelerate its independent semiconductor development but also to actively invest in the development of the semiconductor industry, in order to establish a complete supply chain for its local upstream and downstream, as well as the recent U.S. government's intention to impose export controls on China's semiconductor industry, which will also help China's semiconductor industry to shift the benefits of the order. As the trade conflict between China and the U.S. continues, the European and U.S. markets can no longer rely entirely on China, and need a supply chain that they can control.

In the petrochemical industry, the global market has been under pressure due to China's aggressive capacity expansion and large-scale dumping, coupled with energy and inflation threats stemming from the Russia-Ukraine war, which have dampened end-user consumption. However, in 2025, China is expected to continue introducing economic stimulus measures. If

these can revive the property market and boost domestic demand, they may help ease the pressures of overproduction and price competition, thereby driving growth in petrochemical product demand.

Additionally, with continued interest rate cuts in Europe and the U.S., the resulting lower capital costs are likely to stimulate consumption and investment demand. U.S. energy policies are also anticipated to support the development of the global petrochemical industry, potentially presenting new opportunities for the petrochemical sector in Asia.

If the Russia-Ukraine war ends and peace agreements are reached in the Middle East, reconstruction efforts could further contribute to demand, making a market rebound in 2025 from the 2024 low point more likely. However, the core challenge for the petrochemical industry remains oversupply, and a true recovery will still depend on a sustained revival in demand.

The sluggish market conditions seen in the second half of 2023 are expected to persist through the first quarter of 2024, with a possible bottoming out afterward. Most industry experts hold a pessimistic outlook for the petrochemical market in 2024. A key factor behind the downturn in 2023 was the surge in new capacity in China.

That said, with the gradual containment of the pandemic, easing of restrictions, and the resumption of economic activity, global demand for petrochemical products began to recover in 2023. Buying momentum in the Chinese market is also expected to pick up, which could support petrochemical prices and bring some positive momentum to the market.

Looking ahead over the next decade, the biggest challenge for Taiwan's petrochemical industry will be carbon emissions. To remain competitive and sustainable, the industry must adopt "green processes" to reduce emissions and embrace a "circular economy" that emphasizes recycling and reuse. This transition is essential for producing more diverse and higher-value green chemical products, enabling the petrochemical industry to evolve into a green and environmentally friendly sector and move toward greater internationalization.

4.Competitive advantage

- (1) Vertically integrated upstream and downstream products with excellent and stable quality as well as cost advantages

The quality of the semi-finished products (such as Sheets, Liners, Parts, etc.) required for our processing has a key influence on the characteristics and quality of the materials used in the later stages of processing. All the raw materials required for our processing are produced in our Zhangbin Plant. Compared with other raw materials suppliers, one-stop production not only improves production efficiency, but also controls cost and quality, and it is less prone to errors in the integration process. The raw materials required by us are sourced from international leaders such as Chemours, Daikin and 3M, which provide stable and high-quality raw materials, and the final products can be traced back to the raw material batch number. All manufacturing processes are independently controlled by us, so we have good control over the quality of our products.

(2) Customized products, complete product line, widely used in multiple industries

Our main products are fluoropolymer application materials and fluoropolymer lining equipment. We use fluorine materials as the center of the circle to design and develop products related to the upstream and downstream needs of the industry chain, while industry peers are mostly limited to the processing of a single material or the use of a single material. Therefore, we are able to offer a wide range of different production methods when our customers have special customization needs. In addition, the threshold for standard products is relatively low and there are many competitors, while the technical demand for customized products and special processes is higher, which not only raises the competition threshold but also increases the gross profit. We have a wide range of materials and processing technologies, and this type of product serves a large niche.

The Company's product lines can be applied to industries such as semiconductor industry, panel industry, petroleum and chemical industry, energy industry, chemical production and manufacturing industry, etc. In addition, environmental regulations are becoming more stringent in various countries, and companies are emphasizing social responsibility (CSR) and are also aiming for green processes, which benefits the market expansion of our energy and environmental protection waste reduction products, and such demand is not limited to high-tech industries.

(3) With 40 years of experience and a dedicated R&D team as the cornerstone, we continue to improve product quality

As the IC process generations continue to advance, semiconductor manufacturers are putting forward corresponding requirements for their supply chains, especially after entering the 3nm process era, the requirements for electronic-grade chemicals are also rising, from PPT Level (ultra-pure electronic-grade chemicals) to the next level. The requirements for equipment are also advancing with the times.

Since its establishment for nearly 40 years, the company has attached great importance to staff education and training as well as the recruitment of various professional personnel, and regularly and irregularly sends staff to participate in various educational trainings to strengthen their technical level and ability. In addition, we actively cooperate with universities and colleges to develop research and development of various technologies in order to maintain our leading position in technology and at the same time, to follow and lead the trend of product upgrades and replacements in order to gain the first opportunity in the market. We aim to strengthen our services and business with customers by offering competitive prices and quality, in order to satisfy customers' one-time purchase needs, and further enhance customer satisfaction and order stability. Our products always grow together with our customers in the industry, and we are ready to continue to move on to the next generation.

- (4) We insist on producing and selling high-quality products, localizing production services and strengthening customer relationships.

The most important basis for the survival and development of a company is to provide high-quality products and the electronic chemical industry has even more stringent requirements for quality. Therefore, the Company implements "Total Quality Insistence" and our first priority is to continuously improve product quality to meet customer needs, and enhance customer service, which is helpful for product innovation, speed and perfect combination of technology to gain customers' trust. In addition, our production and service offices are located in Taiwan, China and the United States, so we can provide customers with nearby products as well as timely and thoughtful services. In the midst of the global shift in the electronics and chemical industries, the Company is able to utilize the advantage of our extensive presence to achieve "seamless connection" to our customers' localized services.

- (5) We have the ability of construction and subcontracting to enhance our competitiveness.

In addition to stable quality equipment and piping material suppliers, customers also need excellent engineering and construction companies, or even planning capabilities to provide engineering design and advice, and to propose improvements in professional processing. We can provide a complete one-stop service, from single item production to construction and installation, which can not only speed up the commissioning time of customers, but also effectively reduce the error of integration of various interfaces.

5. Favorable and unfavorable factors of development prospects, and corresponding measures

(1) Favorable factors:

- a. Emerging technology development continues to drive demand for semiconductors, so it is optimistic about the business opportunities from the related supply chain in the future.

With the development of 5G and the continuous rising demand for high-performance computing and other chip applications, the introduction of 5G will drive the expansion of various services, as well as the continued electronicization of vehicles and the advancement of emerging technology fields, such as AI and the Internet of Things, which will also drive the demand for the semiconductor industry.

With the increase in capital expenditures for plant construction or expansion in high-tech industries, the demand for process supply systems and equipment will increase, and the benefits of plant expansion will emerge gradually. The Company has established a good cooperation relationship with the high-tech industry in Taiwan and China for many years, and has gradually gained a foothold in the U.S. and Southeast Asian markets. The Company has a good reputation and track record in Taiwan and China, and is highly competitive in high-tech industrial processes.

- b. New technology development brings new markets as manufacturers continue to replace obsolete process equipment.

The demand for process supply system is generated by the development of technology and upgraded with the advancement of technology, and the peripheral process equipment has to be upgraded with the process advancement in terms of process techniques and specifications to meet the increasingly stringent requirements of the end customers in the high-tech industry. With the rapid development of technology, the old process equipment is no longer sufficient, so manufacturers must continue to replace the obsolete equipment with the trends. At present, high-tech process supply equipment is mainly used in the semiconductor industry, panel industry, solar industry, petrochemical industry and energy industry, etc. As new technologies, new products and new industry ecosystems are formed, the scope of application of process supply equipment will continue to expand, creating new market opportunities for the Company.

- c. The trend of local production and demand for factory construction are emerging.

The impact of the trade war between the U.S. and China has driven up the business transfer opportunities in the supply chain. The de-Americanization of the Chinese industry and the demand for local production of U.S. manufacturing industries proposed by the U.S. have led to the emergence of the trend of local production plant construction and related technologies are being actively introduced. In addition to providing services to our existing customers and growing together, we expect to expand our business in new markets and build a comprehensive network of local domestic sales channels.

- d. Growing environmental awareness increases demand for recycling and treatment of various chemicals.

Countries around the world are stepping up their efforts to control chemicals and placing increasing emphasis on environmental protection. Advanced countries such as Europe, the U.S. and Japan have gradually banned potentially dangerous chemicals, and strengthened environmental regulations. The Company also continues to develop green business, including the development of an integrated system for the recycling of waste solvents. The recycling, reclamation and reuse of waste solvents generated by high-tech companies after production not only effectively reduces production costs, but also forms an effective way to protect the global environment. In line with the global trend of environmental protection, the Company is developing green energy business, which not only fulfills its corporate social responsibility to protect the earth's ecology but also drives the Company's future business growth.

(2) Unfavorable factors and countermeasures

- a. Environmental protection and industrial safety awareness are on the rise, and standards are becoming increasingly stringent

The impact of global climate change on the economy, society and the environment has become more and more serious in recent years, making environmental protection awareness increasingly important to the world. The government has been promoting the awareness of occupational safety and the protection of the occupational environment in recent years, so the standards and regulations are becoming more stringent and the costs are increasing.

Countermeasure:

In order to implement environmental protection and industrial safety, we have set up a dedicated environmental safety unit to be responsible for environmental protection facilities, planning and improvement, and education and training of plant personnel. We have also set up comprehensive pollution prevention equipment and cooperate with professional organizations to conduct regular inspections, and introduce advanced processes and technologies to reduce treatment costs, meeting the requirements of environmental protection and industrial safety so that we can fulfill our social responsibility.

- b. Severe competition in the industry and price cutting in the market

In the high-end market of the electronics industry, Taiwan, Japan and Korea are the main sources of mature and more advanced technologies, while China has been vigorously promoting the development of the electronics industry in recent years. The industry peers from Japan and Korea follow their counterparties to invest in China, and have gradually taken a place with their investments in China, and may evolve into main competitors in the future. In addition to the original technology, the end-customers in each country have their own mature supply chain and it is more difficult for manufacturers in other regions to enter.

In addition, in the middle- and low-end markets, because of the lower technical requirements of customers and the large number of suppliers, the market competition is more intense, causing competitors to cut prices, resulting in a general decline in profitability.

Countermeasure:

The Company has been deeply involved in the fluorine processing industry for many years, and has the ability to produce key raw materials in-house and control the production progress, so it can effectively control the project costs and provide customers with competitive product quotations. In addition, the Company's subsidiary in Jiaxing has a production base and can provide related equipment to nearby local customers in Mainland China, which can save transportation costs,

customs duties, etc. Our price is competitive compared to those of foreign manufacturers. In the future, the Company will continue to establish a good localized supply chain in order to control costs, maintain a competitive price advantage and increase future business opportunities. In addition, the Company will enhance customer loyalty through advanced technology, excellent product and construction quality and reasonable prices, and also increase its competitive advantage through excellent business reputation.

c. It is not easy to cultivate professional talents

The process supply system requires professional knowledge of chemistry, machinery, instrumentation and control, as well as the ability to manage construction, and to design and install a suitable supply system tailored to the customer's production technology, process model and product characteristics. With the rapidly changing technology in the high-tech industry, the complexity of process supply systems is increasing and experienced professionals are needed to meet the design needs of our customers. However, it takes a lot of time and experience to develop good professionals, so it is not easy to cultivate them and this affects the progress of our market development.

Countermeasure:

We manage to increase corporate visibility and attract talented people through stock listing on TWSE. In addition to establishing a good working environment, and using comprehensive welfare measures and related employee motivation measures to enhance employee motivation, we provide complete employee education and training, and establish a transparent and institutionalized promotion channel to make employees identify with the Company in order to retain outstanding talents.

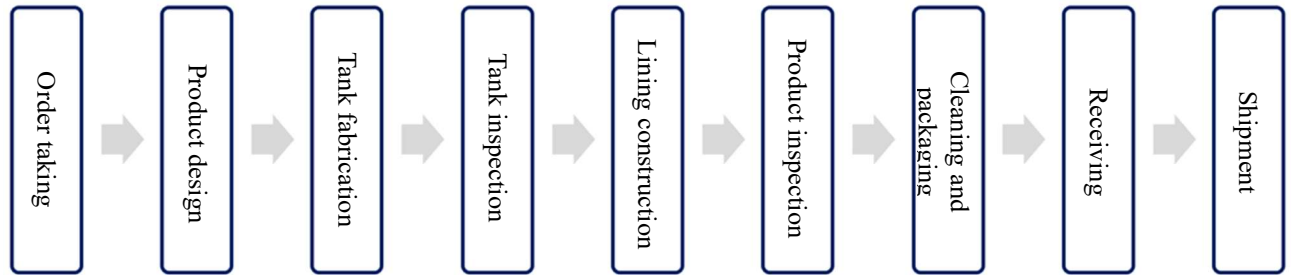
(II) Important Functions and Production Process of Major Products

1. Important applications of major products

Main products	Applications
Fluorine lining equipment	Including: Fluorine lining tank (drum tank, heat exchanger, tank car), acid supply system equipment and program control, electronic chemical purification equipment and program control. Function: High temperature or corrosive chemical liquid gas storage, mixing, purification, transportation, etc.
Fluorine application materials	Including: Fluorine lined tubes (including liquid transfer hoses/valve parts), fluorine lined coatings, fluorine injection molded products, fluorine tubing, fluorine sheets, fluorine composite sheets, fluorine diaphragms, fluorine welding materials, fluorine rods, etc. Function: High-temperature or corrosive chemical gas transport lines, fluorine lined tanks and fluorine lined pipes, electrical or construction materials, weathering, insulating, mechanical applications
Fluorine engineering revenue	Including: Tubing and piping, equipment instrumentation, lifting and supervision works, etc.

2. Production process of major products:

A. Fluorine lining equipment

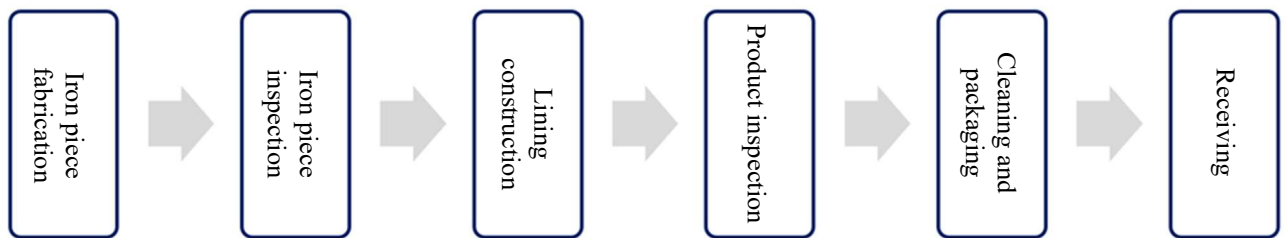


B. Fluorine application materials

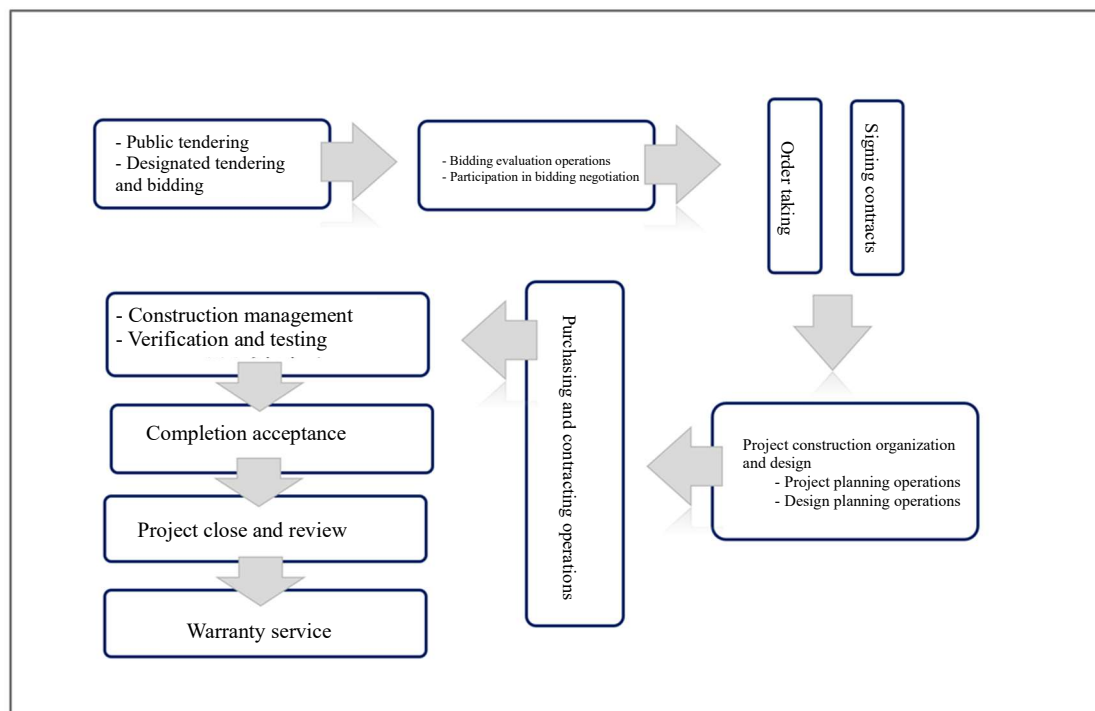
➤ Materials



➤ Pipe fittings



C. Fluorine engineering



(III) Supply status of main raw materials

Name of main raw material	Supply
Fluoropolymer granules and powder	Good
Carbon steel, stainless steel iron pieces	Good

(IV) The Names of Suppliers (Customers) Who Have Accounted for More than 10% of the Total Purchases (Sales) in Any of the Last Two Years and the Amount and Proportion of Their Purchases (Sales), and the reason for the increase or decrease:

1. Major suppliers for the last two years

Unit: Thousands of NTD; %

Item	2023				2024				2025 up to the first quarter			
	Name	Amount	%	Relationship with the issuer	Name	Amount	%	Relationship with the issuer	Name	Amount	%	Relationship with the issuer
1	Group I	499,088	19.23	Nil	Group III	300,982	14.32	Nil	(Note 2)			
2	Group II	224,119	8.63	Nil	Group I	245,753	11.7	Nil				
	Others	1,872,631	72.14	Nil	Others	1,554,406	73.98	Nil				
	Net purchases	2,595,838	100.00		Net purchases	2,101,141	100.00					

Note 1: The increase or decrease was due to the actual business requirements.

Note 2: The information up to the quarter preceding the publication of the Annual Report has not been reviewed by CPAs.

2. Major sales customers in the last two years

Unit: Thousands of NTD; %

Year Item	2023				2024				2025 up to the first quarter			
	Name	Amount	%	Relationship with the issuer	Name	Amount	%	Relationship with the issuer	Name	Amount	%	Relationship with the issuer
1	Group B	637,588	11.20	Nil	Group A	753,397	11.67	Nil	(Note 2)			
2	Group D	599,330	10.53	Nil	Group B	668,646	10.35	Nil				
3	Others	4,455,435	78.27	Nil	Others	5,035,356	77.98	Nil				
	Net sales	5,692,353	100.00		Net sales	6,457,399	100.00					

Note 1: The increase or decrease was due to the actual business requirements.

Note 2: The information up to the quarter preceding the publication of the Annual Report has not been reviewed by CPAs.

III. Information on employees for the last two years up to the publication of the Annual Report:

Unit: People; %

Year		2023	2024	The current year up to March 31, 2025
Number of employees	Managerial officer	3	4	4
	Production line employees	444	441	457
	General staff	280	296	296
	Total	727	741	757
Average age (years old)		33.82	34.23	34.14
Average years of service (years)		4.41	5.32	4.17
Education distribution	Doctoral degree	0.28%	0.40%	0.40%
	Master's degree	4.13%	4.05%	4.36%
	Junior college	50.62%	50.07%	50.06%
	Senior high school	40.99%	41.70%	41.48%
	Below senior high school	3.98%	3.78%	3.70%

IV. Information on Environmental Protection Expenditure:

- (I) For the most recent year and for the current year up to the publication of the Annual Report, the amount of loss due to environmental pollution (including compensation and environmental protection audit results of violations of the environmental protection laws and regulations, the penalty date, the penalty number, the provisions of the regulation violated, the content of the regulation violated, and the penalty content should be stated) and the estimated amount of current and potential future losses, including the estimated amount of losses, penalties and compensation that may occur if no countermeasures are taken, and if the amount cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be stated.

The Company has not suffered any loss due to environmental pollution in the last two years and in the current year as of the publication of the Annual Report, therefore, it is not applicable.

V. Labor-management Relations

- (I) List the Company's various employee welfare measures, education, training and retirement systems, and their implementation as well as agreements between management and employees of the Group and measures to protect the rights and interests of employees:

Harmony between labor and management is the driving force of business development. With this common philosophy, all employees of the Company have worked together with mutual trust, mutual assistance and mutual understanding to establish a stable working environment and a good corporate culture, which has contributed to the continuous growth and development of the Company and we will continue to do so. Meanwhile, the Company will continue to pursue the following activities in order to create better operating results for the benefit of its shareholders and all employees.

1. Employee welfare measures

- (1) Year-end bonus, three festivals bonus, distribution of remunerations, patent bonus, and improvement proposal bonus.
- (2) Exclusive employee restaurant, dedicated parking lot, and lactation room facilities provided.
- (3) The annual year-end banquet event, superior to legal requirements, includes health check-ups, lunch subsidies, and complimentary dinners.
- (4) Allowance and insurance - shift (meal) allowance, group insurance.
- (5) In addition to legally allocating employee welfare funds, the company allocates additional employee welfare funds each month according to Article 2, Paragraph 3 of the Employee Welfare Fund Regulations, deducting 0.5% of each employee's monthly salary to subsidize the Employee Welfare Committee in handling various employee welfare activities, such as holiday vouchers, birthday vouchers, wedding and funeral subsidies, departmental dinner subsidies, employee-contracted stores, etc.

2. Continuing education and training

- (1) Each unit submits the "Annual Training Plan" for the following year in the fourth quarter of each year, and after approval by the department head, it is transferred to the education and training unit for follow-up.
- (2) Source of annual education and training plan: Based on organizational development needs, short/medium/long-term strategies of the Company, and business objectives, the training plan is used as a direction to coach talents for their development.
- (3) The annual training plan shall include: pre-employment training, general knowledge training, professional training, environmental safety training, and supervisory training.
- (4) In the year 2024, a total of 1,001 employees participated in educational training sessions, averaging 2.2 training sessions per employee. The total training hours amounted to 4,104 hours, with an average of 9.02 training hours per employee.

3. Retirement system and implementation status

Our company has established a retirement policy for employees and set up a retirement fund management committee, with the chairman serving as the director. Since 2011, in order to ensure the rights and interests of our colleagues, the maximum limit for the amount of old retirement funds that are contributed has been adjusted to 15% and allocated to the labor retirement reserve fund supervision committee management account. Since June 2021, after being inspected by an actuary, the amount of old retirement funds that are contributed has been adjusted to 2% and is reviewed annually by the company and the actuary to ensure that the old retirement funds are sufficient. The new retirement funds are allocated in accordance with the Labor Standards Act and the Labor Retirement Benefit Regulations, with 6% being allocated to the retirement reserve fund and deposited into employees' individual retirement fund accounts. Applications for retirement benefits are processed according to our company's handover management policy for retirement and separation, and those who meet the retirement eligibility criteria will be processed accordingly.

4. Labor management agreement and various employee benefit protection measures

The Company attaches importance to labor relations and holds regular labor-management meetings every three months, and strives for rational communication between management and employees and advocates humane management, and directly responds to personal opinions through complaint mail boxes and proper channels. We understand the needs of employees, and appropriately adjust and improve the relevant management regulations of the Company. We comply with the relevant laws and regulations, and protect employees' rights and interests.

The list of members for the current labor-management meeting was reported to the Taipei City Government and Changhua County Government on September 30, 2020. The term of office runs from November 22, 2020, to November 21, 2024.

The list of members for the 6th Labor-Management Committee was reported to the Taipei City Government and Changhua County Government for record on October 30, 2024. The term of office runs from November 22, 2024, to November 21, 2028.

In 2024, four meetings were held on January 31, April 24, July 31, and October 24. Topics discussed included the annual calendar, principles for determining adjusted workdays and compensatory holidays, food safety awareness, earthquake safety promotion, typhoon disaster preparedness, and legal infectious disease prevention campaigns. These efforts aim to ensure that employee rights and welfare are fully protected.

- (II) For the most recent year and for the current year up to the date of publication of the Annual Report, the amount of loss due to labor disputes (including labor inspection results of violations of the labor pension act, the penalty date, the penalty number, the provisions of the regulation violated, the content of the regulation violated, and the penalty content should be stated), and the estimated amount of current and potential future losses and countermeasures should be disclosed and if the amount cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be stated.

penalty date	penalty number	provisions of the regulation violated	the content of the regulation violated	the penalty content should be stated
2024/4/1	Official Document No. 1130014615 issued by the Department of Labor and Human Resources in 2024.	Article 22, Paragraph 2 of the Labor Standards Act	Wages shall be paid in full directly to the worker.	a fine of NT\$20,000.

VI. Cyber security management

- (I) Describe the cyber security risk management framework, the cyber security policy, the specific management plan, and the resources invested in cyber security management.

1. Cyber security framework

To ensure the security of the Company's own and customer partners' information assets, in view of the information security risk assessment and to protect the rights and interests of the Company and its stakeholders, the Company's information security responsible unit is the Information Technology Section, which is in charge of preparing annual information

security strategies, integrating and supervising annual information security plans, and information security audit benchmarks. It coordinates the related resources and cross-unit activities, coordinates information security incident management, plans information security education, develops and implements information security operations, regularly reviews and resolves information security and information protection approaches and policies, and ensures the effectiveness of information security management measures.

2. Cyber security policy

- (1) Carry through information security and ensure sustainable operations.
- (2) Enhance information security training and intelligent detection and prevention.
- (3) Carry out emergency responses and recover quickly from disasters.

3. Specific implementation measures

The biggest risk to information services in recent years has come from the massive wave of ransomware fueled by the rise of cryptocurrencies. For this type of attack, the Company's response policy is divided into specific front-end and back-end measures as follows:

- (1) The front-end general user equipment is protected with anti-virus and anti-hacking software, and personnel are required to keep important operational information in the system and controlled storage area to reduce the risk of single-point storage. The company has invested in web filtering and mail filtering services as well as equipment to prevent personnel errors, and has strengthened personnel awareness of information security and planned social engineering drills to enhance information security incident awareness.
- (2) At the back-end, we strengthen the security of 321 backups, encrypt one copy of system snapshots to the cloud and keep two copies locally on two different hosts every day, and continue to perform different levels of restoration exercises every year to verify the normal operation of daily backup files and restoration processes. Maintain fast recovery capability for controlled storage areas, virtual machines.

4. Resources invested for cyber security

For the Company to maintain stable and continuous operations, we continuously track important information service equipment and invest in highly available, virtualized, and multi-backup operating systems or equipment year by year to reduce operational risks as follows:

- (1) Carry out virtualization of server hosts.
- (2) Introduce the DRM digital rights management system to protect digital documents and file contents through encryption technology.
- (3) Add redundant devices to increase the availability of virtual environments.

- (II) List the losses, possible impacts and countermeasures due to major information community security incidents in the most recent year and as of the publication date for this Annual Report. If it cannot be reasonably estimated, state why it cannot be reasonably estimated: None.

VII. Important contracts:

Contract nature	Party involved	Starting and ending date	Main content	Restrictions
Bank Financing	Hua Nan Commercial Bank	2024/06/28~2025/06/28	Credit contract	Nil
	Yuanta Commercial Bank	2024/05/19~2025/05/18	Credit approval notification	Nil
	Taishin International Bank	2025/01/08~2025/12/31	Credit contract	Nil
	Taipei Fubon Bank	2024/12/15~2025/12/14	Credit approval notification	Nil
		2020/12/28~2025/12/28	Credit approval notification	Government project
		2023/03/29~2028/03/29	Credit approval notification	Government project
	Mega International Commercial Bank	2025/02/04~2026/02/03	General credit contract - No. 375	Nil
		2025/02/04~2026/02/03	General credit contract - No. 375-1	Nil
		2023/05/11~2031/5/10	Medium- and long-term credit contract - No. 375-4	Government project
Contract	Eight Point International Corp.	2023/12/26	Real Estate Purchase Contract	Nil

Five. Analysis and Review of Financial Position and Financial Performance and Risk Issues

I. Financial Position

Unit: NTD thousand

Item \ Year	2023	2024	Difference	
			Amount	%
Current assets	8,100,854	8,728,140	627,286	7.74%
Property, Plant and Equipment	1,724,604	1,713,020	-11,584	-0.67%
Intangible asset	7,368	9,020	1,652	22.42%
Other assets	137,350	245,625	108,275	78.83%
Total assets	9,970,176	10,695,805	725,629	7.28%
Current liabilities	2,006,628	1,940,799	-65,829	-3.28%
Non-current liabilities	520,853	409,653	-111,200	-21.35%
Total liabilities	2,527,481	2,350,452	-177,029	-7.00%
Stock capital	797,630	799,760	2,130	0.27%
Capital surplus	2,040,362	2,045,485	5,123	0.25%
Retained earnings	4,680,082	5,463,448	783,366	16.74%
Other equity interest	(75,379)	36,660	112,039	-148.63%
Total Equity	7,442,695	8,345,353	902,658	12.13%
Description: If the percentage of change for the last two years is 20% or more and the amount of change is at least NT\$10 million:				
1. Increase in intangible assets: Mainly due to the purchase of computer software.				
2. Increase in other assets: Primarily attributed to increases in prepaid equipment payments, prepaid property payments, and refundable deposits.				
3. Decrease in non-current liabilities: Mainly due to reductions in long-term loans and lease liabilities.				
4. Increase in other equity: Mainly resulting from an increase in exchange differences arising from the translation of financial statements of foreign operations.				

II. Financial Performance

Unit: NTD thousand

Item	2023	2024	Difference	
			Amount	%
Operating revenue	5,692,353	6,457,399	765,046	13.44%
Operating costs	3,048,357	3,827,467	779,110	25.56%
Gross profit	2,643,996	2,629,932	(14,064)	(0.53%)
Operating expenses	641,049	625,834	(15,215)	(2.37%)
Operating net profits	2,002,947	2,004,098	1,151	0.06%
Non-operating income and expenses	78,177	130,287	52,110	66.66%
Profit before tax	2,081,124	2,134,385	53,261	2.56%
Net profits for the period	1,683,253	1,732,764	49,511	2.94%
1. Description: If the percentage of change for the last two years is 20% or more and the amount of change is at least NT\$10 million:				
(1) Increase in operating costs: Mainly due to revenue growth.				
(2) Increase in non-operating income and expenses: Primarily attributed to an increase in foreign exchange gains.				
2. Expected Sales Volume and Its Basis, Potential Impact on the Company's Future Financial and Business Performance, and Response Plan : The company evaluates changes in industry conditions and market supply and demand to adjust future development plans. As the company has not announced the expected sales volume, it is not applicable.				

III. Cash flow

(I) Analysis of changes in the cash flows for the most recent year:

Unit: NTD thousand

Year Item	2023	2024	Increase or decrease	
	Amount	Amount	Amount	%
Cash inflows from operating activities	828,561	1,472,674	644,113	77.74%
Cash inflows (outflows) from investing activities	(5,617)	(317,359)	(311,742)	5,549.97%
Cash inflows (outflows) from financing activities	(845,728)	(1,034,896)	(189,168)	22.37%
Analysis of change in cash flows:				
1. Operating activities: The increase in net cash inflow was mainly due to inventory reduction.				
2. Investing activities: The increase in net cash outflow is mainly due to in the purchase of property, plant, and equipment, as well as an increase in other financial assets.				
3. Financing activities: The increase in net cash outflow is mainly due to the repayment of long-term loans and dividend payments.				

(II) Improvement plan for lack of liquidity: None.

(III) Analysis of the cash flows for the coming year

Unit: NTD thousand

Opening balance of cash	Expected annual cash flows from operating activities	Expected annual cash flows from investing and financing activities	Expected cash surplus (deficit) amount	Expected cash deficiency amount remedies	
				Investment plan	Financing plan
3,529,854	1,805,457	(1,620,900)	3,714,411	—	—
1. Analysis of change in cash flows for the coming year:					
(1) Operating activities: Expected cash inflows from operating profit.					
(2) Investing activities: Expected cash outflows from capital expenditures for equipment purchases and new plants.					
(3) Financing activities: Expected the repayment of long-term loans and payment of dividends.					
2. Remedies for expected cash deficit amount: Not applicable					

IV. The Impact of Material Capital Expenditures on Financial Operations in the Last Year

In order to meet the demand for production capacity for the medium- and long-term operational growth in the Mainland market, the Board of Directors approved the expansion of the plant and the purchase of business equipment at the former site of our subsidiary in Jiaxing on April 14, 2021, in order to expand the production capacity of lining equipment products and pipe fittings processing, and to maintain the growth momentum to increase the operating revenue.

V. Investment Policy in the Last Year, the Main Reason For Its Profit or Loss, Improvement Plan, and Investment Plan for the Coming Year :

- (I) Investment policy: The Company's investment policy is based on sustainable management and operational growth, and the "Procedures for Acquisition and Disposal of Assets" are stipulated in accordance with the " Regulations Governing the Acquisition and Disposal of Assets by Public Companies" issued by the competent authorities as the basis for the Company's investment activities in order to keep track of its business and financial status. In addition, in order to enhance the

supervision and management of the Company's investees, the Company has established the internal control system to control and manage its subsidiaries, and set up the relevant regulations for information disclosure, finance, business, inventory and financial management, so that the Company can maximize the effectiveness of its investees.

(II) The main reasons for profits or losses for the last year and improvement plan.

Unit: NTD thousand

Investee Company	Main Businesses and Products	Investment income (loss) recognized for 2024	Main cause of profit or loss	Improvement plan
ALLIED SUPREME (SAMOA) CORP.	Investment holding	625,564	—	—
ALLIED SUPREME (CHINA) CORP.	Investment holding	625,577	—	—
ALLIED SUPREME Fluoroplastics (Jiaxing) Limited	Manufacturing of special functional composite materials and products	625,442	Continue to develop and sell fluorine materials and products, with good operating conditions.	—
ASTON FLUOROTECH CORP.	Trading of special functional composite materials and products	25,252	Continue to sell and develop market for fluorine materials and products, with good operating conditions.	—

(III) Investment plan for next year: None

VI. Risk analysis and assessment

(I) The impact of changes in interest rates and exchange rates, and inflation on the Company's profit or loss and future countermeasures

1. The impact of changes in interest rates on the Company's profit or loss and future countermeasures

(1) Effect of changes in interest rates on the Company and its subsidiaries

Interest income and interest expense accounted for less than 1% of the Company's revenue in 2024, indicating that changes in interest rates had no significant impact on profit or loss, and therefore the effect on the Company and its subsidiaries was limited.

Unit: NTD thousand

Item	2024	2025Q1
Interest income (1)	44,892	(Note 2)
Interest expense (2)	6,217	
Net operating revenue (3)	6,457,399	
Interest income to operating revenue ratio (1)/(3)	0.70%	
Interest expense to operating revenue ratio (2)/(3)	0.10%	

Note 1: The source of information for 2024 is the financial statements audited and attested by CPAs.

Note 2: The information for 2025Q1 has not been reviewed by CPAs.

(2) The Company's specific measures to respond to changes in interest rates

The interest expenses of the Company and its subsidiaries' are mainly for loans with banks for short-term operational funds, and the Company continues to maintain a close and friendly relationship with banks to obtain more favorable interest rates in order to reduce interest expenses.

2. Effect of changes in exchange rates on the Company and its subsidiaries and future countermeasures

(1) Effect of changes in interest rate on the Company and its subsidiaries

If the exchange rate of NTD had depreciated by 5% against USD and CNY at the end of the period, with all other variables held constant, the Company's net profit before tax would have increased by NT\$36,733 thousand for financial assets and liabilities denominated in foreign currencies held by the Company and subsidiaries.

Unit: NTD thousand		
Item	2024	2025Q1
Exchange gain	57,240	(Note 2)
Net operating income	6,457,399	
Exchange gain (loss) to operating revenue	0.89%	
Operating profit	2,004,098	
Exchange gain (loss) to operating profit	2.86%	

Note 1: The source of information for 2024 is the financial statements audited and attested by CPAs.

Note 2: The information for 2025Q1 has not been reviewed by CPAs.

(2) The Company's main measures to respond to future changes in exchange rates

In order to effectively respond to exchange rate fluctuations, the Company and its subsidiaries use real-time foreign exchange market information provided by banks to immediately control and predict future trends, as well as to provide a basis for quotations to customers and raw material purchases, and to reduce foreign currency holdings in order to effectively control the effect of changes in exchange rates on revenue and profitability.

3. The impact of inflation on the Company's profit or loss and future countermeasures

(1) Effect of inflation on the Company and its subsidiaries' revenue and profitability

For the most recent year up to the publication of the Annual Report, there was no significant effect on the profit or loss of the Company's and subsidiaries due to inflation.

(2) The Company's specific measures to respond to inflation

The Company and its subsidiaries pay attention to the fluctuation of market prices at all times and maintain good interaction with suppliers in order to reduce the impact of cost changes on the Company's profit or loss. The Company also implements a budgeting system and internal control to effectively control operating costs and expenses.

(II) Policy for engaging in high-risk, high-leverage investments, lending of funds to others, provision of endorsements/guarantees to others, and derivatives trading, main reasons for profit or loss and future countermeasures

1. The Company and its subsidiaries have not engaged in high-risk, high-leverage investments for the most recent year up to the publication of the Annual Report, based on prudent and conservative principles.
2. The Company and subsidiaries have established "Procedures for Lending Funds to Others" as the basis for lending funds to others, and the procedures for lending funds to others are in accordance with the provisions of each company's "Procedures for Lending Funds to Others."
3. The Company and its subsidiaries have established the "Procedures for Endorsements and Guarantees" as the basis for handling external endorsements and guarantees, and the procedures

for endorsements and guarantees are in accordance with the provisions of each company's "Procedures for Endorsements and Guarantees."

4. The Company and its subsidiaries have established the "Procedures for Acquisition or Disposal of Assets" as the basis for engaging in derivative transactions, and the procedures for derivative transactions are in accordance with the provisions of each company's "Procedures for Acquisition or Disposal of Assets."

(III) Future R&D plans and estimated R&D expenses

1. Development of microporous membrane (tube) materials

PTFE membrane has natural hydrophobicity and excellent chemical resistance, making it an ideal membrane material for pure gas, water treatment, solvents, strong acids, and strong bases. The product application range covers the fields of solvents, water treatment, gas, medical, pharmaceuticals, and other industries in the semiconductor and optoelectronics industries.

Our research and development team continues to develop formula research, while also carrying out production line construction plans, formulating QC inspection standards and specifications, product sample and reliability testing verification. Subsequently, we will be able to integrate with market applications to obtain product application opportunities.

2. Development of composite materials

PTFE has many characteristics such as heat resistance, chemical resistance, insulation, non-stickiness, and low friction. Adding fillers not only retains the original properties but also improves the mechanical properties of PTFE. The material's application range covers various industrial applications and automation equipment parts.

Our company has mastered the key technology for producing PTFE composite materials. We have produced various composite materials for basic verification according to relevant product specifications, aiming to connect with various industries for verification plans in the future.

3. Modular products for special application chemicals

In response to the trend of environmental awareness, the discharge of wastewater into the environment is a necessary challenge faced by manufacturing industries such as semiconductors and chemicals. How to handle and recycle it in a low-cost and safe way has driven specialized modules to become the preferred device in the market.

The ongoing plan involves investing in the development and testing of specialized modules using the already-developed fluorine-based materials, with experimental verification conducted in response to market demand. Recently, several invention patents have been granted, and modules of various specifications are being developed in parallel. These efforts are being coordinated with on-site testing by potential customers. The goal is to provide high-quality products that meet future environmental protection needs and fulfill market demand.

4. Estimated additional investment of R&D expenses

In 2025, the Company continued to invest in research and development, with a long-term goal of spending 2% to 5% of the Company's revenue on research and development. The Company will continue to invest in research and development in the direction of smart manufacturing, environmental protection, green energy and new market applications, continue to innovate to meet customer needs, pursue process integration and internal process reengineering, and reduce production costs to enhance its competitive advantage in the market.

Project name	Current progress	Additional investment of R&D expenses	Mass production completion time	Project description	Major factors for future R&D success
Fluorine microporous membrane (tube) materials	In process	13,200	114/12	Product Sampling and Reliability Testing	<ul style="list-style-type: none"> ● Ongoing product validation. ● Collaborative team efforts in development.
Fluorine composite materials	In progress	6,100	114/12	Product samples are tested alongside application trials to verify reliability.	<ul style="list-style-type: none"> ● High customer acceptance. ● Accumulated testing experience.
Fluorine microfine powder	In progress	5,000	114/12	Key technologies are refined through continuous customer trial feedback.	<ul style="list-style-type: none"> ● Testing and validation are conducted in alignment with customer requirements.
Modular products for special chemicals	In progress	18,000	114/12	Ensuring product specifications and quality meet customer application needs.	<ul style="list-style-type: none"> ● Customer satisfaction. ● Standardized processes.

(IV) The impact of important domestic and foreign policies and legal changes on the Company's financial business and countermeasures:

The Company and its subsidiaries continue to pay close attention to the changes in the important domestic and foreign policies and laws, and adjust the Company's business strategies in accordance with the collection of market conditions in order to effectively manage the impact on the Company's finance and business. For the most recent year up to the publication of the Annual Report, there was no significant impact on the Company's finance and business due to significant domestic and foreign policy and legal changes.

(V) The impact of changes in technology (including cyber security risk) and the industry on the Company's financial business and countermeasures

The Company keeps an eye on the technological changes and developments in its industry, and keeps abreast of the industry trends. In addition, the Company continuously enhances its research and development capabilities, applies for patent protection for various innovative concepts and designs, and actively expands the market applications in the future in order to respond to the impact of technological changes and industry changes on the Company.

In addition, we continue to strengthen and invest in manpower and resources in the protection and preservation of customer information as well as the prevention of improper and unlawful human intent in the area of cyber security. In recent years, cyber attacks and ransomware information security incidents have been spreading frequently, so we focus on information security risk control and protection, laying out a deep defense information security control protection network and implementing strict control measures. As of the publication of the Annual Report, there have been no changes in technology (including cyber security risk) or industry changes that have affected the Company's finances and business.

(VI) The impact of corporate image change on corporate crisis management and countermeasures:

Since the establishment of the Company and its subsidiaries, we have continued to keep pace with market the trends and have been committed to providing the best quality fluorine products. Over the years, we have served most of the well-known customers in the semiconductor and chemical industries, and have established an excellent reputation.

Since its establishment, the Company has been striving to achieve sustainable business operations, complying with the relevant laws and regulations, actively strengthening internal management, and maintaining harmonious labor relations in order to maintain a good corporate image. The Company has not experienced any things that would affect corporate image or result in crisis in the most recent year up to the publication of the Annual Report.

(VII) Expected benefits, potential risks, and countermeasures regarding mergers and acquisitions:
None.

(VIII) Expected benefits, potential risks and countermeasures regarding plant expansion:

The Company and its subsidiaries will continue to expand our plants, add equipment and improve manufacturing processes in response to customer demands. If the Company is unable to increase its revenue, it will have a negative impact on the Company's financial statements. The Company will continue to level off its production capacity planning to reduce risks.

(IX) Risks arising from purchase or sales concentration and countermeasures:

1. Risks arising from purchase concentration and countermeasures:

The Company and its subsidiaries are a professional fluoropolymer processor and manufacturer, and use a variety of raw materials, mainly fluoropolymer raw materials and barrel tank iron pieces. In order to diversify the risk of purchase concentration, we maintain the flexibility of price bargaining and ensure the stability of the source of supply. The Company maintains at least two or more suppliers for the purchase of major raw materials and maintains good cooperative relationships with them. If there is any shortage of supply or material, there are other qualified suppliers to replace them. Therefore, the source of supply is stable and there is no shortage or interruption of supply, so there is no risk of purchase concentration.

2. Risks arising from sales concentration and countermeasures:

Compared with other manufacturing industries, the Company and its subsidiaries do not have any regular customers among the top ten customers in terms of sales, and the proportion of revenue from a single customer or group of customers does not exceed 30%, so there is no risk of sales concentration. In order to control its credit risk, the Company also conducts credit assessment on customers when accepting orders from them, and keeps an eye on their operating conditions and market information to protect the Company's interests.

(X) The impact and risks of massive transfer or replacement of shares by directors, supervisors, or major shareholders holding more than 10% of the shares, and countermeasures: None.

(XI) The impact and risks of the change of management rights on the Company and countermeasures:
None

(XII) For litigation or non-litigation cases, where the Company and its directors, president, substantive persons in charge, major shareholders holding more than 10% of shares or affiliates have engaged in material litigation, non-litigation or administrative disputes that are finalized or on trial, and the results thereof may have a significant impact on shareholders' equity rights or securities prices, the facts in dispute, the amount in question, the starting date of the litigation, the main parties involved and the handling situation as of the publication date of the Annual Report shall be disclosed: None.

(XIII) Other significant risks and countermeasures: None.

VII. Other Important Matters: None

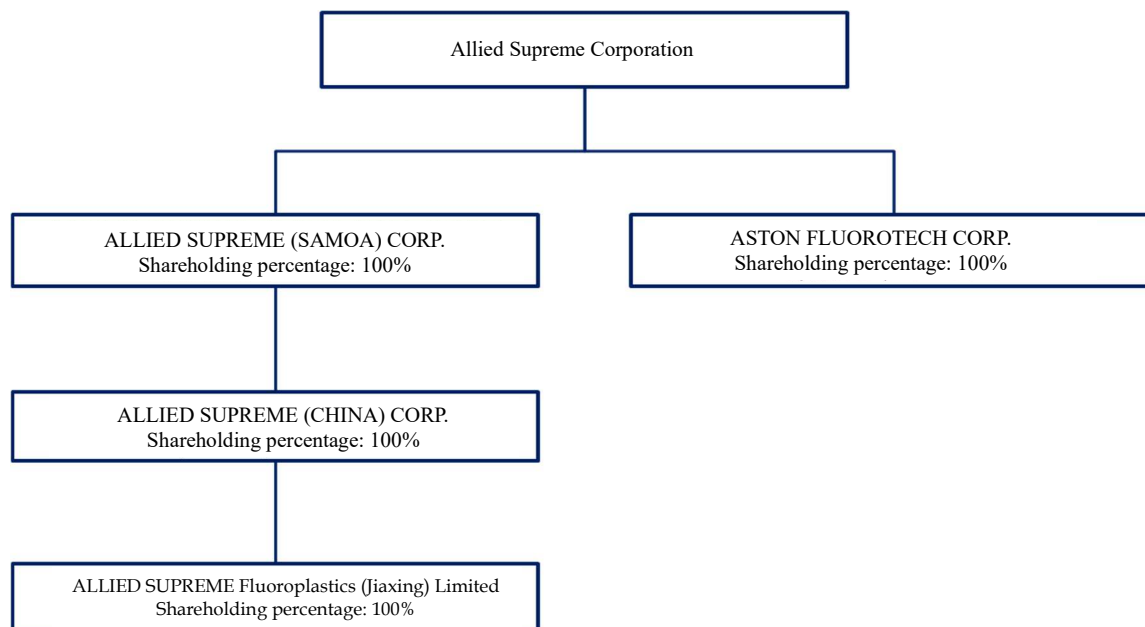
Six. Special Disclosure

I. Relevant Information on Affiliates

(I) Affiliation Report

1. Affiliated enterprise organizational chart

Date: December 31, 2024



2. Basic information on affiliated enterprises

Unit: Thousands of NTD; December 31, 2024

Company Name	Establishment date	Address	Paid-in capital	Main business or products
Allied Supreme(Somoa) Corp.	2006/6/14	Samoa	373,284	Overseas investment holding
Allied Supreme(China) Corp.	2006/6/14	Samoa	373,284	Overseas investment holding
Allied Supreme Fluoroplastics (Jiaxing) Limited	2007/1/31	Zhejiang Province, China Jiaxing City	604,005	Manufacturing and sales of special functional composite materials and products
Aston Fluorotech Corp.	2019/1/7	U.S.A.	18,537	Trading of special functional composite materials and products

3. Information on the same shareholders of those who are in the control-subordinate relationship: None

4. Industries covered by the business of all affiliates.

The industries covered by the business of all of the affiliates include investment holding, research and development, design, manufacturing, sales, and import and export of fluoropolymer products.

5.Names of directors, supervisors and presidents of the affiliates and their shareholdings or capital contributions to the affiliates

Company Name	Title	Name or representative	Shares held	
			Shares	Shares Ratio
Allied Supreme (Somoa) Corp.	Director	Legal representative of ASC: Hou, Chia-Sheng	0	0.00%
Allied Supreme (China) Corp.	Director	Representative of Allied Supreme (Somoa) Corp.: Hou, Chia-Sheng	0	0.00%
Allied Supreme Fluoroplastics (Jiaxing) Limited	Director	Allied Supreme (China) Corp. Representative: Hou, Chia-Sheng	0	0.00%
Aston Fluorotech Corp.	Director	Legal representative of ASC: Li, Yuan-Chung	0	0.00%

6. Overview of operations of affiliates:

December 31, 2023; Unit: Thousands of NTD

Company Name	Capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating profit (loss)	Net profit (loss) for the period	Earnings Per Share (NTD) (Note 2)
Allied Supreme(Somoa) Corp.	373,284	3,727,646	—	3,727,646	—	(33)	624,879	53.18
Allied Supreme(China) Corp.	373,284	3,727,183	—	3,727,183	—	(33)	624,892	53.18
Allied Supreme Fluoroplastics (Jiaxing) Limited	604,005	4,387,017	663,742	3,723,275	2,539,140	686,468	624,757	(註 1)
Aston Fluorotech Corp.	18,537	302,235	219,245	82,990	93,193	35,410	25,252	42,087

Note 1: Not applicable as no shares have been issued.

Note 2: Calculated based on the number of shares outstanding as of December 31, 2024, for each company.
The par value per share may vary among companies.

(II) Consolidated Financial Statements of Affiliates:

The entities required to be included in the consolidated financial statements of the Company as of and for the year ended December 31, 2024, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standards 10. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, the company and its subsidiaries do not prepare a separate set of combined financial statements.

(III) Affiliation Report: Not applicable.

II. Private placement of securities during the last year or the current year up to the date of publication of the Annual Report: No such cases.

III. Other Necessary Supplementary Disclosure: The Company had no such cases.

Seven. For the most recent year up to the printing date of the Annual Report, occurrence of events having material impact on shareholders' rights and interests or securities prices according to Subparagraph 2 of Paragraph 3 of Article 36 of the Securities and Exchange Act: None.

Worldwide



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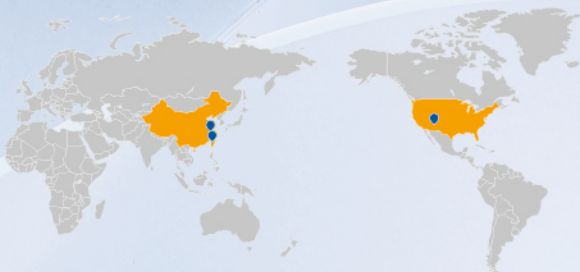
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