

Stock Code: 6727



Asia Metal Industries, Inc.

2024 Annual Report

Published on June 6, 2025

The contents of this annual report and related information about the Company can be found at the following website

Asia Metal Industries, Inc. website: <https://www.asiametalinc.com>

Market Observation Post System: <https://mops.twse.com.tw/mops/web/index>

1. Company's spokesperson, acting spokesperson:

Spokesman

Name: LIANG, XIU-RU

Title: Chief Financial Officer cum

Director of management

Tel: (03)472-7111

Email : amiservice@asiametalinc.com

Acting spokesman

Name: NG, WAN CHAI

Title: General Manager

Tel: (03)472-7111

2. Address and telephone number of head office, branch office and factory:

Head office address: No. 16, Lane 199, Sec. 2, Minfu Rd., Yangmei District, Taoyuan City

Telephone: (03)472-7111

3. Stock transfer institutions:

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Address: B1, No. 67, Sec. 2, Fuxing S. Rd., Da'an Dist., Taipei City

Company website: www.yuanta.com.tw

Telephone: (02) 2586-5859

4. Latest annual financial report certified accountant

Accountant name: HO JUI-HSUAN, HUANG HAI-YUE

Firm name: Deloitte & Touche United Accounting Firm

Address: 20F, No. 100, Songren Rd., Xinyi District, Taipei City

Company website: www.deloitte.com.tw

Telephone: (02)2725-9988

5. Name of the trading venue for listing and trading of overseas securities and the way to inquire the information of such overseas securities: Not applicable

6. Company's website: <https://www.asiametalinc.com>

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I. Shareholders Report

Asia Metal Industries, Inc.

Annual Business report for 2024

First of all, the Company would like to thank all shareholders for their support, the Company has experienced changes in the external economy and 2024 annual revenue still maintains a certain level, and the R&D department continues to research and develop a number of patents, with the efforts of the superior leadership team and all employees. The results of Asia Metal's operation will be shared with shareholders and all employees.

The 2024 annual operating results and 2025 annual business plan planning report are as follows:

1. 2024 Operation Overview

(1) The results of the implementation of the business plan

The Company's consolidated revenue for the year 2024 was NT\$1,505,006 thousand, an increase of NT\$194,601 thousand compared to the previous year. In terms of profit, with a 14.85% increase in turnover, the net profit after tax in 2024 increased by NT\$39,461 thousand, or 35.76% increase, compared to the previous year, resulting in a consolidated net profit after tax of NT\$149,814 thousand.

Unit: NTD thousand

Item	2024		2023		Increase or Decrease	
	Amount	%	Amount	%	Amount	%
Operating income	1,505,006	100	1,310,405	100	194,601	14.85
Operating margin	287,063	19.07	214,374	16.36	72,689	33.91
Net operating profit	137,849	9.16	96,709	7.38	41,140	42.54
Net profit before tax	184,386	12.25	136,975	10.45	47,411	34.61
Net profit after tax	149,814	9.95	110,353	8.42	39,461	35.76
Earnings per share (NTD)	5.69		4.60			

(2) Enterprise development

Asia Metal produces high-precision flexible material coil roll to roll (R2R) coating and immersion equipment. Under the rapid development of printed circuit board industry, semiconductor industry, communication 5G and 6G, electric vehicle industry, intelligent networking, multi-orbit satellite, Asia Metal is currently the world's largest manufacturer of advanced immersion equipment, with a global market share of more than 70%. With the demand of customers, the company has also made a big step forward in the Southeast Asian market, and with the improvement of the integrity of the product application field, the Company is expected to maintain steady growth.

(3) Analysis of financial revenues and expenditures and profitability

Unit: NT thousands

Item		Year	2024	2023
Profitability analysis	Return on assets (%)		3.89	3.40
	Return on shareholders' equity (%)		10.07	10.59
	Ratio of paid-in capital (%)	Net operating profit	51.28	40.17
		Net profit before tax	57.58	56.90
	Net profit ratio (%)		7.99	8.42
	Earnings per share (NTD)		5.69	4.60

(4) Research and development

The Company has a competitive advantage in the coating application market with the development, design, manufacturing, installation and after-sales service capabilities of high-precision process equipment, and has a high degree of mechanical and electrical integration and excellent coating lamination related technologies. The 2024 R&D result is as follows:

1. Existing equipment performance improvement:

Related coating industry equipment extension, (FCCL high temperature yellowing equipment) successfully developed continuous production of non-stop high temperature splicing table (350 degrees C).

Extend the equipment of the related coating industry and optimize the production equipment of hydrogen fuel cell R2R.

Extension of related coating industry equipment, optimization of FAS R2R coating equipment (special tank use products).

2. Equipment Innovation:

Roller gap adjustment device obtained a patent.

Meter roller positioning device obtained a patent.

Copper foil surface-processing machine obtained a patent.

3. R&D direction:

3.1 Develop a new low-tension unwinding machine

3.2 High temperature aramid rolling mill

3.3 Ecology-Drive coating drying system equipment

3.4 Ultra high temperature heat transfer fluid oven heating plate development

3.5 Advanced CCL treater development

2. Summary of the 2025 annual business plan

(1) Business policy and important production and marketing strategies:

In response to the expansion of emerging markets and the increasing demand for semiconductors, electric vehicles, 5G and 6G telecommunications, the company continues to develop and design new products with high functions and market requirements. The business and sales team actively develops new customers and new markets, and the manufacturing and materials department controls the manufacturing quality and cost, which is sufficient to meet the needs of future orders.

The new market and new product demand as well as the completion of the Company's new plant will contribute to the Company's revenue and profit. The following are the Company's future planning and development direction:

1. Product R&D:

On the basis of the original impregnation equipment, it actively invests in 6G communication application products and continues to apply to the further development of new products in different application fields such as Teflon substrate and carbon fiber composite material for aerospace, ceramic paste coating (MLCC), adhesive backed copper foil (RCC), and electrical tape, etc., in order to show the diversification of products.

2. Construction and self-production rate of new plants:

The increased in-house production rate of the new plant will help to strengthen production efficiency and increase production capacity, so as to effectively reduce equipment costs and in turn, increase profits for the company and shareholders to share.

3. Market Expansion:

The expansion of products, customers, regions and other markets is in addition to consolidating the original customers and the Taiwan and mainland markets, Southeast Asia and the U.S. have also been exhibited, and the company continues to focus on diversified product production and customer base in order to build more and broader performance development of Asia Metal.

4. Sustainability (ESG) Goal Promotion:

Asia Metal continues to promote sustainable development action plans from five perspectives including “leading corporate to net zero”, “strengthen corporate sustainable governance culture”, “enhance sustainability information disclosure”, “strengthen stakeholder communication”, “promote ESG evaluation and digitalization”. The Company acts in the interests of shareholders and employees, diversified workplaces, gender equality, the cultivation of professional talents and the care of disadvantaged groups as a company to society responsibility and goal, to become a member of the green supply chain, sustainable operation.

(2) The Impact of the external competitive environment, the regulatory law and the overall business environment

The external competition, regulations and overall environmental impact are described below:

1. External competition:

Under the influence of peer competition, changes in the industry and the red supply chain, the company is in the existing market. It is a leader in the field of Treater (impregnation machine) related technology and has a wide range of horizontal phases. The equipment will continue to be developed, and it is expected to surpass the industry with a forward-looking layout.

2. Laws and regulations:

Recently, countries have paid attention to ESG and green energy, the company adheres to international standards, in line with the government's corporate governance norms for listed companies, the implementation of relevant regulations in order to keep pace with the international.

3. Overall economic impact:

With the increasing geopolitical influence on the economy, the geopolitical importance of Taiwan is upgraded, and the risks are also upgraded. Looking forward to the Taiwan economy in 2025, with the two major economies of the United States and China respectively facing uncertain factors of consumption and investment, but it is still expected that the global commodity trade will show a recovery trend, Taiwan's foreign trade performance is expected to gradually stabilize, and the company will continue to develop in a stable way.

The Company continues to develop advanced technology, and to explore diversified products and emerging markets, with the support of shareholders, we look forward to better operating results to reward all shareholders and employees.

Chairman: TSOU, KUEI-CHUAN



General Manager: NG, WAN CHAI



Accounting Supervisor: LIANG XIU-RU



II. Corporate governance report

1. Information on the company's directors, supervisors, general manager, assistant general managers, deputy assistant general managers, and the chiefs of all the company's divisions and branch units:

(1) Directors

1. Name, academic history, shares held and nature of the directors

April 27, 2025; Unit: thousand shares; %

Job Title	Nationality or place of registration	Name	Gender, age	Date of election/ appointment to current term	Term of office	Commencement Date of first term	No. of shares held at time of election		Number of shares currently hold		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remark (Note 2)
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Job title	Name	Relationship	
President	R.O.C	TSOU, KUEI-CHUAN	Male	06.21.2022	3	10.24.2017	1,638	7.24	893	3.32	0	0	700	2.60	Master of Business Administration, International University of Monaco	President of Asia Metal Industries, Inc. Director of Yangzhou Best Photoelectric Co., Ltd.	-	-	-	-
			76~80 years old												General manager of Qingsan Electronics (stock) Company Deputy general manager of Hongda Electronics (stock) Company					
Director	Malaysia	NG, WAN CHAI	Male	06.21.2022	3	2.23.2016	414	1.83	414	1.54	0	0	0	0	Department of Mechanical Engineering, Taiwan University President of Asia Metal Industries, Inc.	General Manager of Asia Metal Industries, Inc. President of Kunshan Ruiping Precision coating Co., Ltd.	-	-	-	-
			66~70 years old												General Manager of Asia Metal Industries, Inc.					
Director	R.O.C	LIN, TSE-MING	Male	06.21.2022	3	11.30.2018	800	3.53	800	2.98	0	0	0	0	Department of Textile, Feng Chia University Director of Hezheng Technology Ltd.	Director of Asia Metal Industries, Inc.	-	-	-	-
			51-55 years old												Director of Yuzi Enterprise Ltd.					
Director	R.O.C	CHANG, CHUN-CHENG	Male	06.21.2022	3	11.30.2017	737	3.26	737	2.74	0	0	0	0	Department of Chemistry, Tamkang University Vice president of Jia general Industrial Ltd. Quality assurance	Director of Asia Metal Industries, Inc.	-	-	-	-
			71-75 years old																	

Job Title	Nationality or place of registration	Name	Gender, age	Date of election/ appointment to current term	Term of office	Commencement Date of first term	No. of shares held at time of election		Number of shares currently hold		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remark (Note 2)
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Job title	Name	Relationship	
Independent director	R.O.C	CHANG, JUNG-MING	Male	06.21.2022	3	2019.4.30	0	0	0	0	0	0	0	0	Master of Accounting, Oklahoma (City) University, USA Deloitte & Touche certified public accountants practicing accountants	AnPuHua, head of the accounting firm Director, Roger Investments Ltd. Independent Director of Chinachem Technology Ltd.	-	-	-	-
			66~70 years old																	
Independent director	R.O.C	CHEN, AN-SHUN	Male	06.21.2022	3	2022.06.21	0	0	0	0	0	0	0	0	Bachelor, Department of Mechanical Engineering, Taipei City University of Science and Technology Design department manager of Zhisheng Industrial Ltd. President of Qunyi Industrial Ltd.	President of Qunyi Industrial Ltd. Supervisor of Zhanhong Investment Ltd.	-	-	-	-
			66~70 years old																	
Independent director	R.O.C	KUO, DENG-FU	Male	112.06.27	3	2023.06.27	0	0	0	0	0	0	0	0	Bachelor of Law, Chung Hsing University, Taipei University Judge of Criminal Division and Civil Division, Taipei District Court	Presiding Attorney of Dadeng Law Firm Independent Director of Far East Biotechnology (stock) Company	-	-	-	-
			61~65 years old																	

Note 1: 2022/06/21 Full re-election of directors by the General Meeting of shareholders.

Note 2: If the chairman of the board and the general manager or the equivalent person (top manager) of the company are the same person, spouse or a relative of each other, the reason, rationality, necessity and relevant information (such as increasing the number of independent directors, and more than half of the directors should not concurrently serve as employees or managers, etc.) should be explained.

2. Major shareholders of corporate shareholders: None

3. Disclosure of information on the professional qualifications of directors and the independence of independent directors

April 27, 2025

Name	Conditions	Professional Qualifications and experience (Note 1)	Independence situation (Note 2)	Number of independent directors of other public offering companies
President TSOU, KUEI-CHUAN		1. Currently the President of Asia Metal Industries, Inc. 2. Experience in operation judgment, financial accounting, operation management, industry expertise and marketing ability. 3. None of the circumstances under Article 30 of the Company Act has occurred.	Not Applicable	-
Director: NG, WAN CHAI		1. At both Asia Metal Industries, Inc. general manager and kunshan farce flat precision coating equipment co., Ltd., chairman of the board of directors. 2. Experience in operation judgment, financial accounting, operation management, machinery professional, industry knowledge and company business marketing ability and work experience. 3. None of the circumstances under Article 30 of the Company Act has occurred.	Not Applicable	-
Director: LIN, TSE-MING		1. Former director of Hezheng Technology (stock) Company and Yuzi Enterprise (stock) Company. 2. Experience in operation judgment, financial accounting, business management, industry knowledge and international market view. 3. None of the circumstances under Article 30 of the Company Act has occurred.	Not Applicable	-
Director: CHANG, CHUN-CHENG		1. Served as Vice president of quality assurance of Jia General Manager Industrial (stock). 2. Experience in operation judgment, financial accounting, business management and industry knowledge ability and work experience with international market view. 3. None of the circumstances under Article 30 of the Company Act has occurred.	Not Applicable	-
Independent director: CHANG, JUNG-MING		1. Currently serving as the principal of Anpuhua Accounting Firm and chairman of Roger Investment Co., LTD. 2. Former practicing accountant at Deloitte & Touche and responsible person at Chinde Law Firm. 3. Experience in operation judgment, financial accounting, business management and industry knowledge ability and work experience with international market view. 4. None of the circumstances under Article 30 of the Company Act has occurred.	Not Applicable	-
Independent director: CHEN, AN-SHUN		1. Currently serving as the president of Group Up Industrial Co., Ltd. 2. Experience in operation judgment, financial accounting, operation management, industry expertise and marketing ability. 3. None of the circumstances under Article 30 of the Company Act has occurred.	Not Applicable	-
Independent director KUO, DENG-FU		1. Currently serving as the presiding lawyer of Dateng Law Firm. 2. Served as judge of Criminal Division and Civil Division of Taipei District Court. 3. Experience in operation judgment, financial accounting, operation management, industry expertise and marketing ability. 4. None of the circumstances under Article 30 of the Company Act has occurred.	Not Applicable	-

Note 1: Professional qualifications and experience: Describe the professional qualifications and experience of individual directors, and if they are members of the audit committee and have accounting or financial expertise, they should state their accounting or financial background and work experience, and whether they do not have any of the circumstances under Article 30 of the Company Law.

Note 2: Describe the status of independence of each independent director, including but not limited to the following: did they or their spouse or any relative within the second degree of kinship serve as a director, supervisor, or employee of the Company or any of its affiliates specify the number and ratio of shares of the Company held by the independent director and their spouse and relatives within the second degree (or through nominees); do they serve as a director, supervisor, or employee of any company having a specified relationship with the Company (see Article 3, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies)?; specify the amount(s) of any pay received by the independent director for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years..

4. Diversity and independence of directors:

4-1 Diversity of the Board: The Company has formulated the method for the election of directors in accordance with the Code of Practice on the Governance of Listed Companies, and the composition of the directors shall take into account diversity, and formulate and implement appropriate diversity policies for its own operation, business type and development needs. 7 directors (including 3 independent directors) shall be appointed according to the scale of operation and development needs, and the background of the board members shall be included. Implement the policy of diversity in the composition of the Board of Directors covering different cultural, industrial, academic, financial, accounting, business management and other fields.

The Company emphasizes gender equality in the composition of the Board of Directors and aims to increase the number of different-gender directors to more than one-third of the total number of directors. Currently, the Company has less than one-third of female directors, mainly due to most of the current members of the Board of Directors are long-term business decision-making team and have been re-elected for several terms, thereby affecting the change rate of the Board of Directors by gender. It is expected that one additional different-gender director will be added during the 2025 Board of Directors' reelection. The Company will continue to plan for adding different-gender directors during the future reelections.

The implementation of the Board diversity policy is as follows:

Name of director	Gender	Nationality	Age	Concurrently serving as company employee	Core item							
					Operational judgment	Financial accounting analysis ability	Operation and management ability	Crisis management capability	Industry knowledge	International market view	leadership	Decision-making ability
TSOU, KUEI-CHUAN	Male	R.O.C.	76-80 years old	✓	✓	✓	✓	✓	✓	✓	✓	✓
NG, WAN CHAI	Male	Malaysia	66-70 years old	✓	✓	✓	✓	✓	✓	✓	✓	✓
LIN, TSE-MING	Male	R.O.C.	51-55 years old		✓	✓	✓	✓	✓	✓	✓	✓
CHANG, CHUN-CHENG	Male	R.O.C.	71-75 years old		✓	✓	✓	✓	✓	✓	✓	✓
CHANG, JUNG-MING	Male	R.O.C.	66-70 years old		✓	✓	✓	✓	✓	✓	✓	✓
CHEN, AN-SHUN	Male	R.O.C.	66-70 years old		✓	✓	✓	✓	✓	✓	✓	✓
KUO, DENG-FU	Male	R.O.C.	61-65 years old		✓	✓	✓	✓	✓	✓	✓	✓

The Company has 7 directors, of which 29% are employees, 43% are independent directors, one is 76-80 years old, three are 66-70 years old, one is 61-65 years old, and one is 51-55 years old.

4-2 Independence of the Board of Directors: The current directors of the Company are all in accordance with the provisions of Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act, which stipulates that all members of the Board of Directors (including the three independent directors) do not have spouses or relatives within the second degree.

(2) Information of general manager, deputy general manager, associate manager, heads of departments and branches

April 27, 2025; Unit: shares; %

Title	Nationality	Name	Sex	Date of election/ appointment to current term	Shareholding		Spouses and minor children now own shares		Holding shares in someone else's name		Main career experience	Currently working concurrently with the Company and others	Other officers, directors or supervisors with spouse or relation			Remark (Note 1)
					Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio			Nationality	Name	Relation	
General manager	Malaysia	NG, WAN CHAI	Male	01.04. 2016	414,638	1.54%	0	0	0	0	Department of Mechanical Engineering, Taiwan University President of Asia Metal Industries, Inc. General Manager of Asia Metal Industries, Inc.	President of Kunshan Ruiping Precision coating Co., Ltd.	None	None	None	-
General manager office vice general manager	R.O.C.	CHIANG, YAN-CHIAN	Male	08.01.2019	27,000	0.10%	0	0	0	0	New York Polytechnic University Electrical Engineering Master Degree Vice General manager of Hua Wei Electronic Industry (stock) Company Special assistant to general manager office, vice general manager of Asia Metal Industries, Inc.;		None	None	None	-
Vice General manager of R&D center,	R.O.C.	WU, HUAN-RUNG	Male	04.18.2018	82,833	0.31%	0	0	0	0	Master of Business Administration, Centenary University, USA General manager of Kunshan Guotai Electromechanical Co., Ltd. Engineering R&D department director of Asia Metal Industries, Inc. Engineering R&D department vice general manager of Asia Metal Industries, Inc. Engineering R&D department vice general manager of Asia Metal Industries, Inc. R & D center Vice general manager of Asia Metal Industries, Inc.		None	None	None	-
Vice general manager of business project 1	R.O.C.	LIN YUNG-CHIH	Male	11.07.2022	17,423	0.06%	13,000	0.05%	0	0	Nanya Institute of Technology Vice general manager of Project business project 1 of Asia Metal Industries, Inc. General manager of Kunshan Ruiping precision coating Co., Ltd.	General manager of Kunshan Ruiping precision coating Co., LTD.	None	None	None	-
Head of project customer service	R.O.C.	KAO, CHI-NING	Male	12.21.2022	95,000	0.35%	0	0	0	0	Chien Hsin Junior College of Technology Project head at customer service department of Asia Metal Industries, Inc. Customer service director of Asia Metal Industries, Inc.		None	None	None	-
Head of financial & management department	R.O.C.	LIANG, XIU-RU	Female	.01.01.2018	153,000	0.57%	0	0	0	0	Master of Business School, Zhongyuan University Financial Manager of Taiwan Longjie (Stock) Company Director of finance and accounting of Asia Metal Industries, Inc.	Supervisor of Kunshan Ruiping Precision Coating Co., Ltd.	None	None	None	-
Audit Supervisor	R.O.C.	CHEN, YOU-YU	Male	.09.19.2017	10,000	0.04%	0	0	0	0	Bachelor degree in Accounting Information and Business Administration, Tai Yeh University Financial staff of Changchun Yingli Automobile Industry (stock) Company Auditor of Changchun Yingli Automobile Industry (stock) company Audit clerk of Zicheng United Accounting Firm Head of Audit of Asia Metal Industries, Inc.	-	None	None	None	-

Note 1: When the general manager or the equivalent position (top manager) and the chairman are the same person, spouse or a relative of each other, the reason, rationality, necessity and relevant information (such as increasing the number of independent directors, and more than half of the directors should not concurrently serve as employees or managers, etc.) shall be disclosed.

(3) Remuneration of general directors, independent directors, supervisors, general managers and deputy general managers

1. Remuneration unit for general directors and independent directors:

NT \$thousand

Title	Name	Directors' remuneration								Sum of A+B+C+D and ratio to net income (Note 9)		Part-time employees receive relevant remuneration								Sum of A+B+C+D+E+F+G and ratio to net income (Note 7)		Receive remuneration from enterprises or parent companies outside subsidiaries (Note 10)
		Remuneration (A) (Note 1)		Retirement Pension (B)		Directors' remuneration (C) (Note 2)		Operational execution costs (D) (Note 3)				Salaries, bonuses, expenses, etc. (E) (Note 4)		Retirement pension (F)		Employee compensation (G) (Note 5)						
		The Company	All companies in financial reports (Note 6)	The Company	All companies in financial reports (Note 6)	The Company	All companies in financial reports (Note 6)	The Company	All companies in financial reports (Note 6)	The Company	All companies in financial reports (Note 6)	The Company	All companies in financial reports (Note 6)	The Company		All companies in financial reports (Note 6)		The Company	All companies in financial reports (Note 6)			
														Cash amount	Stock amount	Cash amount	Stock amount					
President	TSOU, KUEI-CHUAN	-	-	-	-	2,332	2,332	15	15	1.57	1.57	8,454	8,454	0	0	396	0	396	0	7.41	7.41	
Director	NG, WAN CHAI	-	-	-	-	1,166	1,166	15	15	0.79	0.79	6,016	6,016	108	108	361	0	361	0	5.12	5.12	
Director	LIN, TSE-MING	-	-	-	-	1,166	1,166	15	15	0.79	0.79									0.79	0.79	
Director	CHANG, CHUN-CHENG	-	-	-	-	1,166	1,166	12	12	0.78	0.78									0.78	0.78	
Independent director	CHANG, JUNG-MING	360	360	-	-			18	18	0.25	0.25									0.25	0.25	
Independent director	CHEN, AN-SHUN	360	360	-	-			15	15	0.25	0.25									0.25	0.25	
Independent director	KUO, DENG-FU	360	360	-	-			9	9	0.24	0.24									0.24	0.24	

1. Please state the remuneration payment policy, system, standard and structure of independent directors, and the correlation with the amount of remuneration according to the responsibilities, risks, investment time and other factors:

The remuneration of the independent directors of the Company is in accordance with the provisions of Article 3 of the "Measures for the Management of the Remuneration of Directors and Managers" adopted by the Remuneration Committee and the Board of Directors on June 25, 2019. The independent directors of the Company shall be paid fixed remuneration regardless of the company's operating profit or loss, so they shall not participate in the distribution of directors' remuneration set aside in accordance with the articles of Association.

2. Except as disclosed in the above table, remuneration received by the directors of the Company in the most recent year for services provided to all companies in the financial reports (such as acting as consultants who are not employees): None.

Note 1: This includes the remuneration of directors for the year 2024 (including director's salary, job bonus, severance pay, various bonuses, incentive payments, etc.).

Note 2: The amount of directors' remuneration approved by the Board of Directors for the year 2024.

Note 3: This refers to the relevant business execution expenses of directors for the year 2024 (including transportation expenses, special expenses, various allowances, dormitory, car and other in-kind provisions, etc.).

In the case of the provision of houses, cars, and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided, such as rent, fuel, and other payments, whether actual or at fair market value, shall be disclosed. In addition, if there is a driver, please note the relevant remuneration paid by the company to the driver, but not included in the directors' remuneration.

Note 4: This refers to the remuneration received by directors and employees in 2024 (including the general manager, deputy general manager, other managers, and employees). This includes salary, job bonuses, severance pay, various bonuses, incentives, travel expenses, special expenses, various allowances, dormitory, car, and other in-kind provisions. In the case of the provision of houses, cars, and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided, such as rent, fuel, and other payments, whether actual or at fair market value, shall be disclosed. Additionally, if there is a driver, the relevant remuneration paid by the company to the driver should be noted but not included in the directors' or employees' remuneration. Furthermore, salary expenses recognized under IFRS 2 "Share-based Payments," including the acquisition of employee stock warrants, new shares with employee rights restrictions, and participation in cash increase subscription shares, shall also be included in the remuneration.

Note 5: This refers to 2024 annual directors concurrently employees (including concurrently general manager, deputy general manager, other managers and employees) received employee compensation (including stock and cash), should disclose the most recent annual employee compensation approved by the board of directors. If it cannot be estimated, the proposed amount of this year based on the proportion of the actual amount of last year's distribution.

Note 6: The total amount of remuneration paid to directors of the Company by all companies (including the Company) in the consolidated report shall be disclosed.

Note 7: Net profit after tax refers to the net profit after tax of the individual or consolidated financial report for the year 2024.

Note 8: a. This column should clearly indicate the amount of remuneration received by the directors of the company from other subsidiaries or related to the parent company. (if none, please fill in "none").

b. If a director of the Company receives remuneration from an investment undertaking outside the subsidiary or a parent company, the remuneration received by the director of the company in an investment undertaking outside the subsidiary or a parent company shall be incorporated into column I of the remuneration scale table, and the column name shall be changed to "the parent company and all investment undertakings".

c. Remuneration means the remuneration, remuneration (including the remuneration of employees, directors and supervisors), business execution expenses and other related remuneration received by the directors of the Company for serving as directors, supervisors or managers of enterprises other than subsidiaries or parent companies.

* The content of remuneration disclosed in this table is different from the concept of income in the Income Tax Law, so the purpose of this table is for information disclosure, not for tax purposes.

2. Remuneration unit for General Manager and Deputy General Manager

Unit: NT\$ thousand

Title	Name	Salary (A) (Note 2)		Retirement Pension (B)		Bonuses, expenses, etc. (C) (Note 3)		Employee Compensation Amount (D) (Note 4)				Sum of A+B+C+D and ratio to net income (%) (Note 6)		Receive remuneration from a business or parent company that is invested outside a subsidiary (Note 7)
		The Company	All companies listed in financial reports (Note 5)	The Company	All companies listed in financial reports (Note 5)	The Company	All companies listed in financial reports (Note 5)	The Company		All companies listed in financial reports (Note 5)		The Company	All companies listed in financial reports (Note 5)	
								Cash amount	Stock amount	Cash amount	Stock amount			
General manager	NG, WAN CHAI	2,211	2,211	108	108	3,820	3,820	361	0	361	0	4.33	4.33	-
General manager office Vice general manager	CHIANG, YAN-CHIAN	1,779	1,779	108	108	424	424	99	0	99	0	1.61	1.61	-
Research and development center Deputy General Manager	WU, HUAN-RUNG	1,646	1,646	98	98	711	711	215	0	215	0	1.78	1.78	-

Note 1: The names of general manager and deputy general manager shall be listed separately, and the payment amounts shall be disclosed in a summary manner.

Note 2: It is the salary of general manager and deputy general manager in 2024, job bonus and severance pay.

Note 3: It is the 2024 annual general manager and vice general manager of various bonuses, incentives, travel expenses, special expenses, various allowances, dormitory, car and other kinds of compensation. In the case of the provision of houses, cars and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided, rent, fuel and other payments, actual or at fair market value, shall be disclosed. In addition, if there is a driver, please note the relevant remuneration paid by the company to the driver, but not included in the remuneration. In addition, salary expenses recognized under IFRS 2 "Share-based Payments", including the acquisition of employee stock warrants, new shares restricting employee rights and participation in cash increase subscription shares, shall also be included in the remuneration.

Note 4: This is the amount of staff compensation (including stock and cash) approved by the Board of Directors to distribute to the General manager and Deputy General manager in the year 2024. If it is impossible to estimate, the proposed amount of this year's distribution is calculated in proportion to the actual amount of last year's distribution.

Note 5: The total amount of remuneration paid by all companies (including the Company) to the General Manager and Deputy General Manager of the Company shall be disclosed in the consolidated report.

Note 6: Net profit after tax refers to the net profit after tax of the individual or individual financial report for the year 2024.

Note 7: a. This column should clearly specify the amount of remuneration received by the general manager and deputy general manager of the company from the subsidiary to the investment business or the parent company (if no, please fill in "none").

b. If the general manager and deputy general manager of the Company receive any remuneration from the sub-subsidiary or the parent company, the remuneration received by the general manager and Deputy General manager of the company from the sub-subsidiary or the parent company shall be incorporated into column E of the remuneration scale table, and the name of the column shall be changed to "the parent company and all sub-investment undertakings".

c. Remuneration refers to the remuneration, remuneration (including remuneration of employees, directors and supervisors), business execution expenses and other related remuneration received by the general manager and deputy general manager of the Company for serving as the director, supervisor or manager of the sub-investment business or the parent company.

* The content of remuneration disclosed in this table is different from the concept of income in the Income Tax Law, so the purpose of this table is for information disclosure, not for tax purposes.

3. Remuneration to the Five Highest Remunerated Management Personnel of a TWSE or TPEX listed Company

Unit: NT\$ thousand

Title	Name	Salary (A) (Note 2)		Retirement Pension (B)		Bonuses, expenses, etc. (C) (Note 3)		Employee Compensation Amount (D) (Note 4)				Sum of A+B+C+D and ratio to net income (%) (Note 6)		Receive remuneration from a business or parent company that is invested outside a subsidiary (Note 7)
		The Company	All companies listed in financial reports (Note 5)	The Company	All companies listed in financial reports (Note 5)	The Company	All companies listed in financial reports (Note 5)	The Company		All companies listed in financial reports (Note 5)		The Company	All companies listed in financial reports (Note 5)	
								Cash amount	Stock amount	Cash amount	Stock amount			
President	TSOU, KUEI-CHUAN	2,764	2,764	0	0	5,704	5,704	396	0	396	0	5.91	5.91	-
General manager	NG, WAN CHAI	2,211	2,211	108	108	3,820	3,820	361	0	361	0	4.33	4.33	-
General manager office Vice general manager	CHIANG, YAN-CHIAN	1,779	1,779	108	108	424	424	99	0	99	0	1.61	1.61	-
Research and development center Deputy General Manager	WU, HUAN-RUNG	1,646	1,646	98	98	711	711	215	0	215	0	1.78	1.78	-
Vice general manager of Business Project 1	LIN YUNG-CHIH	1,769	1,769	108	108	903	903	215	0	215	0	1.99	1.99	-

Note 1: The "top five remuneration executives" refers to the managers of the company, and the identification criteria of the relevant managers shall be handled in accordance with the scope of application of the "managers" stipulated in the letter No. 0920001301 of the Securities and Futures Regulatory Commission of the former Ministry of Finance on March 27, 1992. As for the calculation and recognition principle of the "top five remuneration", it is based on the total amount of salary, retirement pension, bonus and special expenses received by the company's managers from all the companies in the consolidated financial report, as well as the amount of staff compensation (that is, the total of four items A+B+C+D), and the ranking of the top five remuneration is identified.

Note 2: List the salary, job bonus and severance pay of the top five remunerated executives in 2024.

Note 3: It is a list of the top five remuneration of the top executives in 2024 years of various bonuses, incentives, travel expenses, special expenses, various allowances, dormitory, car and other in-kind provision and other compensation amounts. In the case of the provision of houses, cars and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided, rent, fuel and other payments, actual or at fair market value, shall be disclosed. In addition, if there is a driver, please note the relevant remuneration paid by the company to the driver, but not included in the remuneration. In addition, salary expenses recognized under IFRS 2 "Share-based Payments", including the acquisition of employee stock warrants, new shares restricting employee rights and participation in cash increase subscription shares, shall also be included in the remuneration.

Note 4: The compensation amount (including stock and cash) of the top five executives approved by the Board of Directors for 2024 is included. If it is not possible to estimate, the proposed amount of this year's distribution is calculated in proportion to the actual amount of last year's distribution, and a separate List 1-3 should be provided.

Note 5: The total amount of remuneration paid to the top five remuneration executives of the Company by all companies (including the Company) in the consolidated report shall be disclosed.

Note 6: Net profit after tax refers to the net profit after tax of the individual or individual financial report for 2024.

Note 7: a. This column should clearly fill in the amount of remuneration received by the top five remuneration executives of the company from the investment business outside the subsidiary or the parent company (if no, please fill in "none").

b. Remuneration refers to the remuneration, remuneration (including the remuneration of employees, directors and supervisors), business execution expenses and other related remuneration received by the top five remuneration executives of the Company for serving as directors, supervisors or managers of sub-investment businesses outside subsidiaries or parent companies.

* The content of remuneration disclosed in this table is different from the concept of income in the Income Tax Law, so the purpose of this table is for information disclosure, not for tax purposes.

4. Name of the manager who distributes the employee compensation and the distribution situation

December 31, 2024; Unit: NT\$ thousand

	Title	Name	Stock amount	Cash amount	Total	Total as a percentage of net profit after tax (%)
Handler	President	TSOU, KUEI-CHUAN	0	1,705	1,705	1.13
	General Manager	NG, WAN CHAI				
	General manager office Vice general manager	CHIANG, YAN-CHIAN				
	Research and development center Deputy General Manager	WU, HUAN-RUNG				
	Vice general manager of Business Project 1 / General Manager of Kunshan Rui Ping"	LIN, YUNG-CHIH				
	Director of Customer Service	KAO, CHI-MING				
	CFO/Head of Management/Head of Corporate Governance	LIANG, XIU-LU				
	Audit Supervisor	CHEN, YOU-YU				

Note 1: Names and job titles should be disclosed individually, but profit distributions received may be disclosed in aggregate.

Note 2: Fill in the amount of employee profit-sharing compensation (including stocks and cash) received by the managerial officers as approved or expected to be approved by the board of directors for 2024. If the amount cannot be forecasted, disclose the amount expected to be distributed by calculating pro-rata to the amount that was actually distributed in the preceding fiscal year. If the Company has already adopted the IFRS, net income means the net income after tax on the parent company only or individual financial report for 2024.

Note 3: The applicable scope of “managerial officers” is defined under the 27 March 2003 FSC Order No. Tai-Cai-Zheng-III-0920001301 as persons in the following positions:

- (1) General manager(s) and equivalent level positions
- (2) Assistant general manager(s) and equivalent level positions
- (3) Deputy assistant general manager(s) and equivalent level positions
- (4) Chief officer of the finance division
- (5) Chief officer of the accounting division
- (6) Other persons who have the power to manage affairs and sign for the Company

(4) State the analysis of the total amount of remuneration paid to the directors, general managers and deputy general managers of the Company in the most recent two years as a proportion of the net profit after tax of individual or individual financial reports and explain the policy, standard and mix of remuneration, the procedure for determining remuneration and the relationship between business performance and future risks:

(1) Analysis of the total amount of remuneration paid to directors, general managers and deputy general managers of the Company in the most recent two years as a percentage of net profit after tax

Title	2023		2024	
	The Company	Consolidated report	The Company	Consolidated report
Director	8.16%	8.16%	3.89%	3.89%
General Manager and Deputy General Manager	1.94%	1.94%	0.59%	0.59%

(2) Payment of directors, supervisors, general manager? And vice president? Pay? The policies, standards and combinations of, and procedures for determining remuneration are related to operating performance and future risks:

A. Directors and supervisors

The remuneration paid by the Company to the directors and supervisors shall be handled in accordance with the provisions of the articles of Association of the Company, and a remuneration committee shall be established to provide reasonable remuneration based on the participation degree and contribution degree of the company's operation.

B. General Manager and Deputy General Manager

The remuneration paid by the Company to the General Manager and Deputy General Manager is based on the salary level of the position in the peer market, the scope of the responsibilities of the position within the Company, and the contribution to the Company's operational objectives during the year.

C. The relationship between the process of setting remuneration and business performance and future risks: the year-end bonus and employee compensation shall be determined according to the company's performance, and appropriate salary and adjustment shall be given with reference to the company's performance and individual performance.

2. Operation of corporate governance

(1) Operation of the Board of Directors

The board of directors of the Company held 5 meetings in 2024, and the directors' attendance was as follows:

Title	Name	Actual attendance (B)	Commissioned attendance	Actual attendance (%) (B/A)	Remark
President	TSOU, KUEI-CHUAN	5	-	100%	
Director	NG, WAN CHAI	5	-	100%	
Director	LIN, TSE-MING	5	-	100%	
Director	CHANG, CHUN-CHENG	5	-	100%	
Independent director	CHANG, JUNG-MING	5	-	100%	
Independent director	CHEN, AN-SHUN	5	-	100%	
Independent director	KUO, DENG-FU	3	2	60%	

Other matters to be recorded:

1. If the operation of the Board of directors is under any of the following circumstances, it shall state the date and term of the board of directors, the content of the proposal, all the opinions of independent directors and the company's treatment of the opinions of independent directors:

(1) Matters listed in Article 14 (3) of the Securities Exchange Law:

The Company has established an audit committee in accordance with the law, and the provisions of Article 14-5 (1) of the Securities and Exchange Act shall not apply to the provisions of Article 14-3 of the same Act.

(2) Except for the items mentioned above, other matters decided by the Board of Directors that are opposed or reserved by independent directors and have records or written statements: no such case.

2. The execution of the directors' withdrawal from the interest proposal shall state the names of the directors, the contents of the proposal, the reasons for the withdrawal of interests and the voting circumstances: None.

3. The listed cabinet company shall disclose the evaluation cycle and period, evaluation scope, method and evaluation content of the board of directors' self-evaluation (or peer evaluation):

Evaluation cycle	Evaluation period	Evaluation range	Evaluation method	Evaluation content
Execute once a year	January 1 to December 31, 2024	Board of directors	The executive unit of the Board of Directors shall be assessed in a fair, objective and independent manner	1. Level of involvement in company operations 2. Improve the quality of board decisions 3. Composition and structure of board of Directors 4. Appointment and continuing education of directors 5. Internal control
Execute once a year	January 1 to December 31, 2024	Individual board member	Board members self-review	1. Master the company's goals and tasks 2. Cognition of directors' responsibilities 3. Level of involvement in company operations 4. Internal relationship management and communication 5. Professional and continuing education of directors 6. Internal control
Execute once a year	January 1 to December 31, 2024	Functional committee	The executive unit of the Board of Directors shall be assessed in a fair, objective and independent manner	1. Level of involvement in company operations 2. Understanding of the responsibilities of the Compensation Committee 3. Improve the decision-making quality of the compensation committee 4. Composition of salary and compensation committee and selection of members

4. The objective of strengthening the functions of the Board of Directors in the current and recent years (such as setting up an audit committee, enhancing information transparency, etc.) and the implementation assessment: The Company has set up an audit committee and a remuneration committee to assist the Board of Directors in fulfilling their supervisory duties respectively.

(2) Operation of the Audit Committee:

The Audit Committee of the Company held 5 meetings in 2024, and the independent directors were excluded as follows:

Title	Name	Actual attendance (B)	Commissioned attendance	Actual attendance (%) (B/A)	Remark
Independent director	CHANG, JUNG-MING	5	-	100%	Convenor of the second term
Independent director	CHEN, AN-SHUN	5	-	100%	
Independent director	KUO, DENG-FU	3	2	60%	

Other matters to be recorded:

1. If the operation of the audit committee is under any of the following circumstances, it shall state the date and term of the board of directors, the contents of the motions, the results of the resolutions of the audit committee, and the company's handling of the opinions of the audit committee:

(1) Matters listed in Article 14 (5) of the Securities Exchange Act.

Audit Committee/Date/period	Content of the motion	Results of Audit Committee resolutions	The company's handling of the opinions of the audit Committee
2023/01/18 2 nd term, 8 th session 1 st Meeting in 2024	<ol style="list-style-type: none"> 2023 internal control system Assessment of effectiveness and statement of internal control system. Amendment to the "Allowance for Doubtful Accounts Accrual Method" Set the base date for the issuance of new shares for capital increase of the Company's first domestic secured convertible bonds to be converted into common shares in Q4 2023. 	All the members present agreed to adopt.	All the director present agreed to adopt.
2024/03/15 2 nd term, 9 th session 2 nd Meeting in 2024	<ol style="list-style-type: none"> 2023 Annual financial statements and business reports. Proposal for the redemption at maturity and delisting the first domestic secured convertible bonds. Change the CPA in accordance with Deloitte & Touche's internal rotation policy. Regularly assess the independence and suitability of the CPAs. Discuss the "General Principles for Pre-Approved Non-Assurance Services Policy" with Deloitte & Touche (Including its global member firms). Reappointment of CPA for the 2024 Financial Statements. Determine whether accounts receivable overdue by three months constitute capital loans in nature. Amendment to partial articles of the "the Exercise of Powers by Audit Committees". Amendment to partial articles of the "Procedure for Board of Directors Meetings" 	All the members present agreed to adopt.	All the director present agreed to adopt.
2023/05/08 2 nd term, 10 th session 3 rd Meeting in 2024	<ol style="list-style-type: none"> Financial Statements for Q1 2024. Set the base date for the issuance of new shares for capital increase of the Company's first domestic secured convertible bonds to be converted into common shares in Q1 2024. Determine whether accounts receivable overdue by three months constitute capital loans in nature. Distribution of 2023 cash dividends. Distribution of 2023 surplus. 	All the members present agreed to adopt.	All the director present agreed to adopt.

	2024/08/07 2 nd term, 11 th session 4 th Meeting in 2024	1. Financial Statements for Q2 2024. 2. Determine whether accounts receivable overdue by three months constitute capital loans in nature. 3. Amendment to partial articles of the “Research and development (R&D) cycle”	All the members present agreed to adopt.	All the director present agreed to adopt.
	2024/11/07 2 nd term, 12 th session 5 th Meeting in 2024	1. Financial Statements for Q3 2024. 2. Determine whether accounts receivable overdue by three months constitute capital loans in nature. 3. Finalize the Company's 2025 annual internal audit plan. 4. Amendment to partial articles of the “Audit Committee Charter” 5. Amendment to partial articles of the “Corporate Governance Best Practice Principles” 6. Amendment to partial articles of the “Procedures for Management of Sustainable Information”	All the members present agreed to adopt.	All the director present agreed to adopt.
(2) Except for the items mentioned above, other matters that have not been approved by the audit Committee and have been agreed by more than two-thirds of all directors: no such circumstances.				
2. The implementation of the independent director's withdrawal from the interest proposal shall state the name of the independent director, the content of the proposal, the reasons for the withdrawal of interests and the voting circumstances: there is no such situation.				
3. Communication between the independent director and the internal audit supervisor and the accountant (including major matters, methods and results of communication on the company's financial and business conditions, etc.):				
(1) Communication methods between independent directors and internal audit supervisors and accountants:				
1. The independent director and the head of internal audit shall report to the independent director on the execution of internal audit and the operation of internal control of the Company during regular meetings with the audit Committee, and communicate with the committee about the results of the audit and the implementation of the follow-up report. In case of major anomalies, the internal audit director shall convene a meeting at any time.				
2. Accountants attend board of directors meetings from time to time and discuss and communicate with the company on the status of checking financial reports or related issues of finance, taxation and internal control.				
(2) Summary of communication between the independent director and the internal audit supervisor:				
The independent directors of the Company have good communication with each other regarding the performance of the audit business. The main communication matters are summarized as follows:				
Date	Communication focus	Communication situation and results	Results of the Company's handling of the opinions of independent directors	
2024/01/18 2 nd term, 8 th session Audit committee	1. Assessment of the effectiveness of the internal control system and declaration of the internal control system. 2. Internal audit business report.	The independent directors agreed to consult.	1. All members of the Audit Committee present passed the motion without objection. 2. All directors of the Board of Directors present passed the motion without objection.	
2024/03/15 2 nd term, 9 th session Audit committee	1. Assessment of the effectiveness of the internal control system and declaration of the internal control system.	The independent directors agreed to consult.	1. All members of the Audit Committee present passed the motion without objection. 2. All directors of the	

		2. Amendment to partial articles of the “Procedure for Board of Directors Meetings” 3. Amendment to partial articles of the “the Exercise of Powers by Audit Committees”. 4. Internal audit business report.		Board of Directors present passed the motion without objection.
	2024/05/08 2 nd term, 10 th session Audit committee	1. Internal audit business report.	The independent directors agreed to consult.	1. All members of the Audit Committee present passed the motion without objection. 2. All directors of the Board of Directors present passed the motion without objection.
	2024/08/07 2 nd term, 11 th session Audit committee	1. Amendment to partial articles of the “Research and development (R&D) cycle” 2. Internal audit business report.	The independent directors agreed to consult.	1. All members of the Audit Committee present passed the motion without objection. 2. All directors of the Board of Directors present passed the motion without objection.
	2024/11/07 2 nd term, 12 th session Audit committee	1. Formulate the Company's 2025 annual internal audit plan. 2. Amendment to partial articles of the “Audit Committee Charter”. 3. Amendment to partial articles of the “Procedure for Board of Directors Meetings” 4. Amendment to partial articles of the “Procedures for Management of Sustainable Information” 5. Internal audit business report.	The independent directors agreed to consult.	1. All members of the Audit Committee present passed the motion without objection. 2. All directors of the Board of Directors present passed the motion without objection.

(3) Summary of communication between independent directors and visa accountants:

The communication between the independent director of the Company and the visa accountant: The communication is good, and the main communication matters are summarized as follows:

Date	Communication focus	Communication situation and results	Results of the Company's handling of the opinions of independent directors
2024/03/15	1. Note by the Accountant on the 2023 audit financial report. 2. Change the CPA in accordance with Deloitte & Touche's internal rotation policy 3. Regularly assess the independence and suitability of the certified accountant.	The independent directors agreed to consult.	1. All members of the Audit Committee present passed the motion without objection. 2. All directors of the Board of Directors present passed the motion without objection.

		<p>4. Discuss the "General Principles for Pre-Approved Non-Assurance Services Policy" with Deloitte & Touche (Including its global member firms).</p> <p>5. Reappointment of CPA for the 2024 Financial Statements.</p>		
2024/3/15	The accountant communicates with the governance unit.		The independent directors agreed to consult.	The directors agreed to consult.
2024/05/08	Accountant's note on examination of the financial report for Q1 2024.		The independent directors agreed to consult.	<p>1. All members of the Audit Committee present passed the motion without objection.</p> <p>2. All directors of the Board of Directors present passed the motion without objection.</p>
2024/08/07	Accountant's note on examination of the financial report for Q2 2024.		The independent directors agreed to consult.	<p>1. All members of the Audit Committee present passed the motion without objection.</p> <p>2. All directors of the Board of Directors present passed the motion without objection.</p>
2024/11/07	Accountant's note on examination of the financial report for Q3 2024.		The independent directors agreed to consult.	<p>1. All members of the Audit Committee present passed the motion without objection.</p> <p>2. All directors of the Board of Directors present passed the motion without objection.</p>

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

Evaluation item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
1. Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	✓		The Company has established the "Corporate Governance Best Practice Principles" and the "Corporate Social Responsibility Best Practice Principles" to fulfill its role in corporate social responsibility through internal operations, management practices, and related internal management systems.	No material deviations
2. Shareholding Structure and Shareholders' Rights				
(1) Does the Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?	✓		(1) The Company has established the "Procedures for Shareholder Service Management " to incorporate the management of stock affairs into the internal control system. It has designated spokesperson and acting spokesperson as responsible personnel to handle shareholder suggestions or disputes in accordance with these procedures.	No material deviations
(2) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	✓		(2) The Company has entrusted a stock affairs agency to handle stock-related matters. It maintains a list of major shareholders and their ultimate controlling parties and reports any changes in accordance with regulations.	No material deviations
(3) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates?	✓		(3) The Company has established the "Rules Governing Transaction Management Between the Company and its Related Parties", which define clear strategies and guidelines for financial and business dealings. Transactions with affiliates are conducted independently, and internal auditors conduct regular and ad-hoc audits.	No material deviations
(4) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?	✓		(4) To establish an effective internal control system for handling and disclosing material information and prevent improper leaks, the Company has implemented the "Procedures for Handling Material Inside Information" and follows them accordingly.	No material deviations

Evaluation item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
3. Composition and responsibilities of the board of directors				
(1) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	✓		(1) The Company has established the "Rules for Director Elections", which stipulates that the composition of the Board of Directors shall consider diversity, including basic qualifications and values, as well as professional knowledge and skills. The Company currently has 7 directors (including 3 independent directors), each possessing professional expertise in accounting, law, and industry experience. Additionally, to promote gender diversity, the Company plans to add 1 female director during the 2025 board election. Furthermore, the Company will continue to work toward diversity goals and adjust the composition of the Board of Directors based on performance evaluation results.	No material deviations
(2) Has the Company voluntarily established other functional committees in addition to the remuneration committee and the audit committee?		✓	(2) The Company has established an Audit Committee and a Remuneration Committee in accordance with the law. The necessity of establishing other functional committees will be evaluated based on the Company's operational needs.	No material deviations
(3) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the board of directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms?	✓		(3) The Company has submitted the "Rules for Performance Evaluation of Board of Directors" to the Board of Directors for approval. An internal evaluation is conducted once a year, and the results are reported to the Board of Directors by the end of the first quarter of the following year. The evaluation results serve as a reference for the re-nomination of individual directors.	No material deviations
(4) Does the Company regularly evaluate its external auditors' independence?	✓		(4) The Audit Committee and the Board of Directors of the Company annually evaluate the independence and suitability of its CPAs, in addition to requiring the certified accountants to provide "Declaration of Independence" and "Audit Quality Indicators (AQIs)", and evaluate the five dimensions of the audit quality indicators and 13 indicators. It is confirmed that the accountant and the company have no other financial interests and business relationships except for the expenses of visa and tax cases, and the accountant's family members have not violated the independence requirement, and it is confirmed by referring to the AQI index information that the accountant and the firm meet the standards in terms of experience and training hours, and the visa accountant has no disciplinary record of the Accounting Disciplinary Committee in the last two years. The most recent results of the evaluation were discussed and approved by the Audit Committee on March 15, 2024, and presented to the Board of Directors on March 15, 2024, by resolution to approve the evaluation of the independence and suitability of the accountants.	No material deviations

Evaluation item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
4. Does the TWSE/TPEx listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?	✓		The Company's Board of Directors appointed LIANG, XIU-LU, the Head of Finance and Accounting, as the Head of Corporate Governance on March 23, 2023, as the highest authority for corporate governance-related matters, and is responsible for the main promotional work of corporate governance, and on August 7, 2024, reported to the Board of Directors on the achievement of corporate governance related matters.	No material deviations
5. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?	✓		The Company has established a Stakeholders Section on the company's website, with the Company spokesperson and acting spokesperson serving as communication channels for both internal and external stakeholders to address key corporate social responsibility (CSR) issues of concern to stakeholders.	No material deviations
6. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	✓		The Company has appointed "Yuanta Securities Co., Ltd. 's Stock Affairs Agency Department" to handle shareholders' meetings and related matters.	No material deviations
7. Information disclosure (1) Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status? (2) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)? (3) Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?	✓ ✓		The Company has a website to disclose financial, operational, and corporate governance information, with direct links to the official Market Observation Post System (MOPS) for public disclosures. A designated officer is responsible for timely disclosure of material company information in compliance with regulations, and the Company strictly implements its spokesperson system as required. The Company complies with regulatory requirements and relevant laws in disclosing all material information. Shareholders may access corporate announcements and significant matters through either the Market Observation Post System (MOPS) or the company's website. A dedicated Investors Conference section has been established to provide relevant information and multimedia files for investor reference. ✓ The Company strictly adheres to specified deadlines for filing annual and quarterly financial reports, and submits monthly operational updates in accordance with regulatory requirements.	No material deviations

Evaluation item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?	✓		<p>(1) Employee rights and interests: The company provides employees with adequate education and training, so that employees have adequate channels to reflect their opinions, and provides employees with reasonable benefits and remuneration in accordance with local laws and regulations.</p> <p>(2) Employment care: In addition to handling in accordance with the relevant regulations of the local government, we do not regularly hold dinner, recreation and other activities to adjust the body and mind of employees.</p> <p>(3) Investor relations: The Company has a spokesperson and a representative spokesperson, as the company to express opinions or reply to investor questions, if necessary, at any time by telephone, E-mail contact.</p> <p>(4) Supplier relationship: uphold the spirit of mutual trust and mutual benefit for suppliers, and conduct supplier audit and management on the basis of good faith, and confirm that the suppliers can grow together and create a win-win situation under the compliance with various environmental protection treaties and social responsibilities.</p> <p>(5) Rights of stakeholders: In order to implement the spokesperson system, the Company is committed to improving the relationship between stakeholders, shareholders have priority rights to express opinions on the company's operating performance, and respect and try to meet the requirements of all stakeholders.</p> <p>(6) Training of Directors: All directors of the Company (including independent directors) have attended at least 6 hours of corporate governance training course in 2024.</p> <p>(7) Implementation of risk management policies and risk measurement standards: The Company has an internal control system and related management measures and implements them in accordance with these measures to reduce and prevent any possible risks.</p> <p>(8) The implementation of customer policies: the special department is responsible for the customer inquiry appeal pipeline.</p> <p>(9) The Company has purchased liability insurance for directors: The Company has purchased liability insurance for all directors (including independent directors).</p>	No material deviations
<p>9. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement:</p> <p>The Company implemented the following improvements for corporate governance evaluation in 2024:</p> <p>(1) Enhanced internationalization of corporate information disclosure by adding English versions of financial reports, meeting notices, meeting manuals, and annual reports.</p> <p>(2) Improved the completeness of the company website to provide investors with clearer access to company-related information.</p> <p>(3) Actively promoted sustainability activities by increasing participation in various public welfare initiatives and encouraging employee involvement.</p>				

(1/3) The status of directors' continuing education in 2024

Title	Name	Organizer	Study course	Study hours (hours)
President	TSOU, KUEI-CHUAN	Taiwan Corporate Governance Association	Discussion on Sustainable Risk Trends and Strategic	3
		Taiwan Corporate Governance Association	Analysis of International IFRS Sustainability Disclosure Standards and Corporate Response Strategies	3
Director	NG, WAN CHAI	Taiwan Corporate Governance Association	Discussion on Sustainable Risk Trends and Strategic	3
		Taiwan Corporate Governance Association	Analysis of International IFRS Sustainability Disclosure Standards and Corporate Response Strategies	3
Director	LIN, TSE-MING	Taiwan Corporate Governance Association	Discussion on Sustainable Risk Trends and Strategic	3
		Taiwan Corporate Governance Association	Analysis of International IFRS Sustainability Disclosure Standards and Corporate Response Strategies	3
Director	CHANG, CHUN-CHENG	Taiwan Corporate Governance Association	Analysis of International IFRS Sustainability Disclosure Standards and Corporate Response Strategies	3
		Taiwan Corporate Governance Association	TCFD & SBTi Developments and Directors' Authority	3
Independent director	CHANG, JUNG-MING	Taiwan Corporate Governance Association	Analysis of International IFRS Sustainability Disclosure Standards and Corporate Response Strategies	3
		Taiwan Corporate Governance Association	TCFD & SBTi Developments and Directors' Authority	3
Independent director	CHEN, AN-SHUN	Taiwan Securities Association	Introduction to Corporate Control Disputes and the Commercial Case Adjudication Act	3
Independent director	KUO, DENG-FU	TPEX	“AI Strategy and Governance” for the TPEX Market Family	3
		Taiwan Corporate Governance Association	Discussion on Sustainable Risk Trends and Strategic	3
		Taiwan Corporate Governance Association	Analysis of International IFRS Sustainability Disclosure Standards and Corporate Response Strategies	3

(2/3) The continuing education of the executive accounting supervisor and the training of the corporate governance supervisor in relation to corporate governance in 2024

Title	Name	Organizer	Study course	Study hours (hours)
Chief Financial Officer and Director of Management, Head of Accounting	LIANG, XIU-RU	Accounting Research and Development Foundation	Advanced Continuing Education Program for Issuers, Securities Firms, and Stock Exchange Accounting Managers	12
Corporate Governance Officer	LIANG, XIU-RU	Taiwan Corporate Governance Association	Discussion on Sustainable Risk Trends and Strategic	3
			Analysis of International IFRS Sustainability Disclosure Standards and Corporate Response Strategies	3
		Accounting Research and Development Foundation	Analyzing Critical Corporate Financial Information to Enhance Risk Alert Capabilities	6
		Taipei Exchange	Briefing Session on Internal Shareholding of Listed and Emerging Companies	3

(3/3) Internal Audit supervisors' training status in 2024

Title	Name	Organizer	Study course	Study hours (hours)
Audit Supervisor	CHEN, YOU-YU	The Institute of Internal Auditors	Enhancing Corporate Sustainability Value and Improving Risk Management System	6
			Power BI-Risk Assessment and Visualization Analysis	6

(4) If the company has a remuneration committee, it shall disclose its composition, duties and operation:

1. Information of members of the Compensation Committee

Status	Name	Term	Have more than five years of work experience and the following professional qualifications			Meet the independence situation (Note 1~ Note 10)										Member numbers of compensation committees of other public offering companies	Remark
			Lecturer or above from a public or private university in a related field of business, legal, finance, accounting or corporate business	Judges, prosecutors, lawyers, accountants or other professional and technical personnel who have passed national examinations and obtained certificates necessary for the business of the company	Business, legal, financial, accounting or corporate experience required	1	2	3	4	5	6	7	8	9	10		
Independent director	CHANG, JUNG-MING		-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	1	
Independent director	CHEN, AN-SHUN		-	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	
Independent director	KUO, DENG-FU (Note 11)		-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	1	

Notes: For members who meet the following conditions two years before and during their term of office, please type "✓" in the space below each condition code.

- (1) Persons who are not employees of the Company or its affiliated enterprises.
- (2) He is not a director or supervisor of the Company or its affiliated enterprises (except if he is an independent director of the company and its parent company, subsidiary company or subsidiary of the same parent company who serves concurrently with each other in accordance with this law or the laws of the local country).
- (3) Natural person shareholders who are not themselves, their spouses, minor children or in the name of others who hold more than 1% of the total number of shares issued by the company or who hold the top ten shares.
- (4) Spouses, relatives within the second or immediate relatives within the third of managers listed in (1) or persons listed in (2) and (3).
- (5) Directors, supervisors or servants of corporate shareholders who do not directly hold more than 5% of the total number of issued shares of the Company, the top five holders of shares or those who appoint representatives as directors or supervisors of the Company in accordance with paragraph 1 or paragraph 2 of Article 27 of the Company Law (but if they are independent directors of the Company and its parent company, subsidiaries or subsidiaries of the same parent company in accordance with this Act or the laws of the country in which they are located), , this limitation does not apply.
- (6) where more than half of the shares with which the company is not a director or with voting rights are controlled by the same person, are directors, supervisors or servants of other companies (except in the case of independent directors of the company or its parent company, subsidiary or subsidiary of the same parent company who are concurrently established by this Act or by law of the country in which they are located).
- (7) A director (director), supervisor (supervisor) or servant of another company or institution who is not the same person or spouse as the chairman, general manager or equivalent of the company (except for independent directors of the company and its parent company, subsidiary or subsidiary of the same parent company who are concurrently appointed by this law or the laws of the local country).
- (8) is not a director, supervisor, manager, or shareholder holding more than 5% of the company's shares, nor does he/she have financial or business dealings with a specific company or institution (provided that the specific company or institution holds more than 20% but does not exceed 50% of the total number of shares issued by the company). Additionally, if he/she is an independent director of the company or its parent company, subsidiary, or a subsidiary of the same parent company established in accordance with this Act or the laws of the local country, this limitation does not apply.
- (9) Professionals, proprietorships, partnerships, business owners, partners, directors (directors), supervisors (supervisors), managers and their spouses who do not provide audit services for companies or affiliated enterprises or whose accumulated remuneration in the last two years does not exceed NT \$500,000. This does not apply to members of the Compensation Committee, Public Takeover Review Committee or Special Committee on Mergers and Acquisitions who perform their functions under the relevant laws of the Securities and Exchange Act or the Corporate Merger and Acquisition Act.
- (10) None of the circumstances under Article 30 of the Company Act.

2. Information on the operation of the Remuneration Committee

(1) There are three members of the Remuneration Committee of the Company.

(2) Term of office of the current member: July 8, 2022 to June 20, 2025, the Salary. In 2024, the Compensation Committee held two meetings (A). The qualifications and attendance of the committee members are as follows:

Title	Name	Actual attendance (B)	Commissioned attendance	Actual attendance (%) 【B/A】 (Note 1)	Remarks (Note 2)
Convener	CHANG, JUNG-MING	2	0	100%	Convener
Member	CHEN, AN-SHUN	2	0	100%	
Member	KUO, DENG-FU (Note3)	2	0	100%	

Other matters to be recorded:

1. If the Board of Directors does not adopt or amend the recommendation of the Remuneration Committee, it shall state the date, period, content of the proposal, outcome of the resolution of the Board of directors and the company's treatment of the advice of the Remuneration Committee (if the remuneration approved by the Board of Directors is better than the remuneration Committee's recommendation, it shall state the circumstances and reasons for the difference) : None.
2. If members of the Remuneration Committee have objections or reservations and there are records or written statements, they should state the date and period of the Remuneration committee, the content of the motion, all members' opinions and the handling of members' opinions: None.

Notes:

- (1) If a member of the Remuneration Committee has resigned before the end of the year, the date of departure shall be indicated in the remarks column. The actual attendance rate (%) shall be calculated by the number of meetings of the Remuneration Committee and the number of actual attendance during the period of his/her employment.
- (2) Before the end of the year, if there is a reelection of the Remuneration committee, the new and old members of the Remuneration Committee shall be listed, and indicate. in the remarks column whether the member is the old, new or re-elected and the date of reelection. The actual attendance rate (%) is calculated by the number of meetings of the Remuneration Committee and the number of actual attendance during his/her employment.
- (3) Member KUO, DENG-FU appointed on 03/23/2023.

3. The responsibility of the Remuneration Committee is to assist the Board of Directors to regularly evaluate and determine the remuneration of directors and managers, and to regularly review the policies, systems, standards and structures of performance evaluation and remuneration of directors and managers.

(4-1) If the company has a nomination committee, it shall disclose its composition and operation: None.

(5) Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons:

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?		✓	The Company has not yet established a dedicated (concurrently) unit for the promotion of sustainable development.	Will be subject to the company's operating conditions and scale.
2. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (Note 2)		✓	The Company has not yet formulated relevant risk management policy and strategy, and will formulate them in the future in accordance with the law or the Company's needs.	Will be subject to the company's operating conditions and scale.
3. Environmental Issues				
(1) Has the Company set an environmental management system designed to industry characteristics?	✓		(1) The Company mainly develops and assembles machines, and the production process will not produce harmful substances and waste water, and the management office will publicize the relevant environmental management systems and precautions; The company shall entrust qualified waste cleaning and transportation companies to deal with waste matters and other ways to establish compliance. Environmental management system of industry characteristics.	No material deviation
(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	✓		(2) The Company continues to promote the efficiency of resource utilization, including promoting the electronization of processes, reducing the use of paper, promoting energy saving and water saving policies, setting air conditioning temperature and time control, implementing energy-saving switching off lights during lunch breaks, recycling and reuse of various materials or resources to reduce the impact on the environmental load.	No material deviations
(3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	✓		(3) The Company always pays attention to the impact of climate change on the Company's business activities, and actively improves the utilization rate, reduces waste and reduces the impact on the environment in formulating relevant strategies.	No material deviations
(4) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	✓		(4) Promote paperless offices, achieve office energy conservation through air conditioning temperature control and water and electricity use control, and enhance publicity on waste classification, in order to reduce the generation of general waste.	No material deviations

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
4. Social Issues				
(1) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	✓		(1) The Company's Personnel Unit follows the work rules stipulated by the Labor Act and relevant regulations, respects the internationally recognized principles of basic labor rights, and has established appropriate management methods and procedures.	No material deviations
(2) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	✓		(2) The Company's salary and leave are in accordance with the Labor Standards Act, in addition to the annual bonuses based on business performance, and the relevant reward and punishment system, and the provision of employee treatment methods and performance assessment management methods, but also encourage colleagues to actively participate in the Company to fulfill corporate social responsibility can play an activated role.	No material deviations
(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	✓		(3) 1. To achieve zero workplace accident target, the Company continuously improves operational environment conditions to protect employee health and safety. We conduct fire safety training every six months to enhance safety awareness, implement biennial comprehensive health check-ups for all employees, and arrange regular on-site medical services. We maintain drinking water quality through periodic filter replacements and have installed access control systems, fire hydrants, extinguishers, and EV fire blankets throughout our facilities. 2. The Company recorded zero occupational accidents in 2024. 3. The Company had no fire-related incidents in 2024.	No material deviations
(4) Has the Company established effective career development training programs for employees?	✓		(4) The Company regularly or irregularly organizes various internal education and training for employees to enrich their personal career abilities. The employee education and training expenses in 2024 were approximately NT\$1.2 million.	No material deviations
(5) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	✓		(5) The Company's marketing and labeling of products and services comply with relevant laws and regulations and international standards to protect relevant rights and interests, and set up a marketing office and customer service department to provide after-sales service to customers.	No material deviations
(6) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	✓		(6) The Company has established a "Supplier Management Policy" to understand and communicate with suppliers on issues such as environmental protection, safety, and health. We encourage them to enhance their environmental, safety, and health performance to implement corporate social responsibility. Contracts with key suppliers are all handled in accordance with the Company's Supplier Management Policy.	No material deviations

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
5. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above??		✓	The Company's 2024 Sustainability Report is available on the Company's website and on the Market Observation Post System in August, 2024.	Will be subject to the company's operating conditions and scale
6. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations: No deviations				
7. Other important information to facilitate better understanding of the company's promotion of sustainable development: <ul style="list-style-type: none"> 1. Employee Team Building: Invited all factories' employees and their families to have dinner on August 9, 2024 2. Community Sustainability Activities: April 30, 2024: Woodworking class at Yangmei Ruiyuan Elementary School August 17, 2024: Woodworking class at Yangmei Library Fugang Branch September 14, 2024: Woodworking class at Yangmei Library Hongmei Branch September 28, 2024: Beach cleanup at Guanyin Coastal Recreation Area December 19, 2024: Blood donation charity day at Hsinchu Blood Donation Center 				

Note 1: If "Yes" is ticked in the "Implementation status" column, please concretely describe the major policies, strategies, and measures adopted and the status of their implementation. If "No" is ticked in the "Implementation status" column, please explain the deviations and the reasons in the "Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons" column and explain the Company's plans for adoption of related policies, strategies, and measures in the future. However, for Items 1 and 2, the TWSE/TPEX listed company shall describe its governance and supervisory framework for sustainable development, including but not limited to management policy, strategy and goal formulation, review measures, etc. It additionally shall describe the company's risk management policies or strategies for operations-related environmental, social, and corporate governance issues, and their assessment status.

Note 2: The materiality principle refers to focusing on environmental, social and corporate governance issues likely to have a material impact on the Company's investors and other stakeholders.

Note 3: Regarding the method for disclosure, please refer to the "SAMPLE ANNUAL REPORT" page on the website of the Taiwan Stock Exchange Corporate Governance Center.

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

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
1. Establishment of ethical corporate management policies and programs				
(1) Does the company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	✓		(1) The Company has established the "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" to regulate all employees in conducting business with integrity, impartiality, and full compliance with government laws and regulations. Members of the Board of Directors and the Management also adhere to these ethical principles in corporate operations.	No material deviations
(2) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?	✓		(2) The Company and its group entities have established prevention programs covering the following prohibited conducts: 1. Offering and receiving bribes 2. Illegal political contributions 3. Improper charitable donations or sponsorships 4. Offering or accepting unreasonable gifts, hospitality, or improper benefits 5. Infringement of trade secrets, trademarks, patents, copyrights, and other intellectual property rights. 6. Engagement in unfair competition practices. 7. Any procurement, provision, or sales activities that directly or indirectly harm the rights, health, or safety of consumers or other stakeholders.	No material deviations
(3) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	✓		(3) In accordance with the Company's "Procedures for Ethical Management and Guidelines for Conduct," before entering into a business relationship with other parties, the Company shall assess the legitimacy of the agent, supplier, customer, or other business counterparty, its policy on ethical management, and whether it has a record of unethical behavior in order to ensure its business practices are fair and transparent and that it does not ask for, offer, or accept bribes.	No material deviations
2. Ethical Management Practice				
(1) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	✓		(1) The Company and its group entities includes integrity clauses in all contracts with business partners, requiring compliance with our ethical business conduct policy. These clauses allow immediate termination or rescission of contracts if the counterparty engages in unethical behavior.	No material deviations
(2) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	✓		(2) The Management Office of the Company and its group entities is responsible for formulating and overseeing the implementation of ethical business policies and prevention programs. When necessary, incidents of unethical conduct along with their resolutions and improvement measures are reported to the Board of Directors.	No material deviations
(3) Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	✓		(3) For conflict of interest matters, employees may report either to their direct supervisors or directly to the Management Office	No material deviations

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?	✓		(4) The Company has established effective accounting and internal control systems to enforce ethical corporate management. The internal audit unit executes audit plans to examine compliance with these systems and conducts special project audits when exceptional circumstances occur.	No material deviations
(5) Does the company provide internal and external ethical corporate management training programs on a regular basis?	✓		(5) The Company's Chairman, General Manager, and senior management regularly communicate the importance of integrity to directors, employees, and appointees. We conduct periodic education and awareness programs for directors, supervisors, managers, employees, appointees, and ultimate controlling parties, and invite business counterparties to participate, ensuring full understanding of the Company's commitment, policies, prevention measures, and consequences of unethical behavior. The Company integrates ethical business policies with employee performance evaluations and human resource policies, establishing clear and effective reward and punishment system.	No material deviations
1. Implementation of Complaint Procedures				
(1) Has the company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistleblowers?	✓		(1) The Company's whistleblowing system is managed by the Audit Office, with the Audit Supervisor specifically responsible. When investigations reveal major violations or potential significant harm to the Company, reports are immediately prepared and submitted in writing to independent directors. Cases involving directors or senior managers are reported directly to independent directors.	No material deviations
(2) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?	✓		(2) All documents and materials related to reported cases are treated as confidential. All personnel involved in the handling process are instructed by designated officers or the Management Office on their full confidentiality obligations throughout the entire process.	No material deviations
(3) Has the company adopted proper measures to protect whistleblowers from retaliation for filing complaints?	✓		(3) The Company maintains strict confidentiality for whistleblowers and has never taken any inappropriate actions against them.	No material deviations
4. Strengthening Information Disclosure				
Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	✓		(1) We have disclosed the contents of the Ethical Corporate Management Best Practice Principles on the Company's website and on the Market Observation Post System, and as of the date of publication, there have been no reports of complaints.	No material deviations

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
5. If the company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviations between the principles and their implementation: The Company has established the “Ethical Corporate Management Best Practice” and “Procedures for Ethical Management and Guidelines for Conduct” and there is no material deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" in their implementation.				
6. Other important information to facilitate a better understanding of the status of operation of the company’s ethical corporate management policies (e.g., the company’s reviewing and amending of its ethical corporate management best practice principles): The Company and its group entities regularly conducts education and awareness programs for directors, managers, and employees, while maintaining ethical business practices with all suppliers. We actively communicate our commitment to ethical management to our suppliers.				

(7) Other significant information that will provide a better understanding of the state of the company's implementation of corporate governance may also be disclosed:

The Company has continued to devote resources to strengthen its corporate governance operations. Currently, we have three independent directors and have established an Audit Committee and a Remuneration Committee.

(8) The implementation of the internal control system shall disclose the following matters:

1. Statement on Internal Control (detail page).
2. Those who entrust accountants to audit the internal control system shall disclose the audit report of accountants: None.

Asia Metal Industries, inc.
Statement on Internal Control System

Date: March 12, 2025

The internal control system of the company for the year 2024, based on the results of self-evaluation, would like to declare as follows:

1. The Company acknowledges that it is the responsibility of the Board of Directors and managers of the Company to establish, implement and maintain an internal control system and that the Company has established such a system. Its purpose is to provide reasonable assurance for the achievement of operational effectiveness and efficiency (including profit, performance and asset safety protection, etc.), reliability, timeliness, transparency and compliance with relevant regulations and laws and regulations.
2. The internal control system has its inherent limitations, no matter how perfect the design, an effective internal control system can only provide reasonable guarantees for the achievement of the above three objectives; Moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change. However, the internal control system of the Company has a self-monitoring mechanism, and the Company will take corrective action once the failure is identified.
3. The Company determines whether the design and implementation of the internal control system is effective in accordance with the evaluation items of the effectiveness of the internal control system stipulated in the "Guidelines for the Treatment of the Establishment of Internal Control System for Public Offering Companies" (hereinafter referred to as the "Treatment Guidelines"). The internal control system used in the "treatment criteria" to judge the project is divided into five components according to the process of management control: 1. Control Environment, 2. Risk Assessment, 3. Control Operations, 4. Information and Communication, and 5. Supervise the operation. Each component in turn includes a number of items. Please refer to the "Treatment Guidelines" for the foregoing items.
4. The Company has adopted the above internal control system to judge projects and evaluate the effectiveness of the design and implementation of the internal control system.
5. Based on the evaluation results of the preceding paragraph, the Company considers that the internal control system (including supervision and management of subsidiaries) of the Company as of December 31, 2023, Including understanding the effectiveness of operations and the degree to which efficiency objectives are being achieved, reporting is reliable, timely, transparent and in compliance with relevant codes and relevant laws and regulations, and the design and implementation of relevant internal control systems are effective, and can reasonably ensure the achievement of the above objectives.
6. This statement will be the main content of the Company's annual report and will be made public. If the above disclosed content is false, concealing and other illegal matters, it will involve the legal liability of Article 20, Article 32, Article 171 and Article 174 of the Securities Exchange Law.
7. This statement was passed by the Board of Directors of the Company on March 12, 2025, and 7 directors attended, 0 of whom objected, and all agreed to the content of this statement.

Asia Metal Industries, inc.
President: TSOU, KUEI-CHUAN
General Manager: NG, WAN CHAI

(9) Important resolutions of the shareholders' meeting and the Board of Directors for the most recent year and up to the date of publication of the annual report.

1. 2024 Annual General Meeting Resolutions and Implementation:

Date	Agenda
06/25	1. 2023 Annual business Report and financial statement acknowledgement. 2. 2023 Annual surplus distribution recognition case.

2. 2024 Important Resolutions of the Board of Directors and their implementation:

Date	Agenda
01/18	<ol style="list-style-type: none"> 1. The company's 2023 annual internal control system effectiveness assessment and internal control system statement. 2. Revision of the "Method for the Provision for Loss of Receivables". 3. Set the base date for the issuance of new shares for the conversion of ordinary shares in the fourth quarter of the year 2023 for the Company's first domestic secured convertible corporate bonds. 4. Credit line application for financial institutions.
03/15	<ol style="list-style-type: none"> 1. 2023 annual performance reviews of the Board, functional committees and managers. 2. 2012 annual financial statements and business reports. 3. 2023 annual employee compensation and director compensation allocation and distribution plan. 4. The Company issued the first secured convertible corporate bond in China, which will be repaid at maturity and terminated. 5. In order to cooperate with the internal rotation mechanism of the company, it is proposed to change the visa accountant. 6. Regularly assess the independence and suitability of the visa accountant. 7. The Company has entered into the "General Principles for Pre-Approval of Non-conviction Service Policies" with the Joint Accounting firm of the Company (including its Global Alliance members). 8. Visa Accountant renewal case for 2013 financial report. 9. Determine whether accounts receivable overdue by three months constitute capital loans in nature. 10. Proposed amendments to some provisions of the Company's "Measures for the Exercise of Functions and Powers by the Audit Committee". 11. Proposed amendments to some provisions of the Company's "Rules of Procedure for the Board of Directors". 12. Credit line application for financial institutions. 13. The Company's director's liability insurance for the year 2024. 14. The 2024 annual general meeting of the Company shall entertain matters relating to shareholders' proposal rights. 15. Preparation of matters relating to the agenda of the Company's General meeting for 2024.
05/08	<ol style="list-style-type: none"> 1. First quarter 2024 financial statements. 2. Set the base date for the issuance of new shares for the conversion of common shares into the first quarter of 2013 of the Company's first domestic secured convertible corporate bonds. 3. Determine whether accounts receivable overdue by three months constitute capital loans in nature. 4. 2023 annual cash dividend distribution plan. 5. 2023 annual surplus distribution plan. 6. Credit line application for financial institutions.
Date	Agenda
<u>08/07</u>	<ol style="list-style-type: none"> 1. <u>Financial Statements for Q2 2024.</u> 2. <u>Determine whether accounts receivable overdue by three months constitute capital loans in nature.</u> 3. <u>Amendment to partial articles of the "Research and development (R&D) cycle".</u> 4. <u>Application for credit line from financial institutions.</u> 5. <u>Change in the Company's spokesperson.</u>
11/07	<ol style="list-style-type: none"> 1. Financial Statements for Q3 2024. 2. Determine whether accounts receivable overdue by three months constitute capital loans in nature. 3. Formulate the Company's 2025 annual internal audit plan. 4. Amendment to partial articles of the "Audit Committee Charter". 5. Amendment to partial articles of the "Procedure for Board of Directors Meetings" 6. Amendment to partial articles of the "Procedures for Management of Sustainable Information" 7. The Company's 2025 annual business budget. 8. Application for credit line from financial institutions. 9. Adjustment of the Company's organizational structure.

3. Important resolutions of the Board of Directors in 2025 and their implementation:

Date	Agenda
01/16	<ol style="list-style-type: none"> 1. Amendments to partial articles of the Company's "Rules for Director Elections". 2. the proposed amendments to partial articles of the Company's "Corporate Governance Best Practice Principles". 3. Re-election of all directors of the Company. 4. Matters related to the Company's 2025 shareholders' proposal rights. 5. Matters related to the Company's acceptance of the 2025 shareholders' nominations to be included in the candidates' list. 6. Matters related to the agenda for the 2025 shareholders meeting of the Company. 7. Evaluation of the investment in Hua Yuan Co. 8. Application for credit line from financial institutions.
03/12	<ol style="list-style-type: none"> 1. Performance evaluation of the Board of Directors and the Functional Committee for 2024. 2. The appropriation and distribution of employees' and directors' remuneration for 2024. 3. Review of the Company's policies, systems, standards, and structure for remuneration of directors and managers. 4. The financial statements and business report for 2024. 5. Determine whether accounts receivable overdue by three months constitute capital loans in nature. 6. Assessment of the effectiveness of the Company's internal control system and statement of internal control system for 2024. 7. Discussion of the pre-approval audit method for non-assurance services by the CPA firm. 8. Evaluation of the independence and suitability of the CPAs and reappointment of the CPAs. 9. The list of candidates for directors (including independent directors) nominated by the Board of Directors and their qualifications. 10. Lifting of restriction on non-compete for newly appointed directors.
05/08	<ol style="list-style-type: none"> 1. Transfer of the Company's Chief Executive Officer 2. Financial statements for Q1 2025. 3. Distribution of earnings for 2024. 4. Distribution of cash dividends for 2024. 5. Determine whether accounts receivable overdue by three months constitute capital loans in nature. 6. Amendments to partial articles of the Company's Articles of Incorporation. 7. Application for credit line from financial institutions.

(10) In the most recent year and up to the date of publication of the annual report, directors or supervisors have different opinions on important resolutions adopted by the board of directors and there are records or written statements, the main contents of which are: None.

3. Certified Public Accountant Fee Information: Public Accountant Fee Information Level Table

Name of accounting firm	Accountant's name		Check period	Remark
Deloitte & Touche	HO JUI-HSUAN	HUANG HAI-YUE	2024/1/1~12/31	

Unit: NT\$ thousand

Money level		Public Fee	Audit fee	Non-audit fee	Total
1	Lower than NT\$2,000 thousand		-	791	791
2	NT\$2,000 thousand (inclusive) ~ NT\$4,000 thousand		3,050	-	3,050
3	NT\$4,000 thousand (inclusive) ~ NT\$6,000 thousand		-	-	-
4	NT\$6,000 thousand (inclusive) ~ NT\$8,000 thousand		-	-	-
5	NT\$8,000 thousand (inclusive) ~ NT\$10,000 thousand		-	-	-
6	NT\$10,000 thousand (inclusive) or more		-	-	-

Unit: NT\$ thousand

Name of accounting firm	Accountant Name	Audit fee	Non-audit fees					Accountant Check period	Remark
			System design	Industrial and commercial registration	Human resources	Other	Subtotal		
Deloitte & Touche	HO JUI-HSUAN	3,050	-	-	-	791	791	2024/1/1~12/31	-
	HUANG HAI-YUE								

- (1) If the accounting firm is changed and the audit public fee paid in the year of change is less than the audit public fee paid in the year before the change, the amount of audit public fee before and after the change and the reasons should be disclosed: not applicable.
- (2) Where the audit public fee is reduced by more than 10% from the previous year, the amount, proportion and reasons for the reduction of the audit public fee shall be disclosed: not applicable.

4. Change accountant information:

Where there is a change of accountant in the most recent two years and the period thereafter, the following matters shall be disclosed:

(1) About the former accountant

Replacement date	Approved by the Board of Directors on March 15, 2024		
Replacement reason and description	In order to meet the needs of internal rotation, the financial report certified accountant HO JUI- HSUAN and CHANG KEN-HSI were replaced by HO JUI- HSUAN and HUANG HAI-YUE from the first quarter of 2024.		
The termination or non-acceptance of the appointment by the appointor accountant	Party / Condition	Accountant	Appointor
	Voluntary termination of appointment	Not Applicable	Not Applicable
	No further appointment	Not Applicable	Not Applicable
Opinions and reasons for issuing audit reports other than unqualified opinions within the last two years	Not Applicable		
There is no disagreement with issuer	Yes	-	Accounting principles or practices
		-	Disclosure of financial reports
		-	Check the scope or procedure
		-	Other
	None	V	
	Explanation	None	
Other disclosures (Items that must be disclosed in accordance with Subparagraphs 4 to 7, Item 1, Paragraph 6, Article 10 of the Regulations Governing Information to be Published in Annual Reports of Public Companies.)	None		

(2) Regarding succeeding accountants

Firm name	Deloitte & Touche
Accountant's name	Accountants HO JUI- HSUAN, HUANG HAI- YUE
Date of appointment	Adopted by the Board of Directors on March 15, 2024
Subjects discussed and results of any consultation with the CPAs prior to the engagement, regarding the accounting treatment of or application of accounting principles to any specified transaction, or the type of audit opinion that might be issued on the company's financial report	Not Applicable
Successor CPAs' written opinion regarding the matters of disagreement between the Company and the former CPAs	Not Applicable

(3) The reply letter from the former CPA regarding the Company's disclosures regarding the matters under Article 10.6.A and 10.6.B(c) of the Regulations: not applicable.

5. The chairman, general manager, or manager in charge of financial or accounting affairs of the company, who has worked in the firm of the certified public accountant or its affiliated enterprise within the last year, shall disclose his name, title, and the period of employment in the firm of the certified public accountant or its affiliated enterprise. The term "affiliated enterprise of the firm of the certified public accountant" refers to an enterprise in which the certified public accountant's firm holds more than 50 percent of the shares or more than half of the board seats, or any company or institution listed as an affiliated enterprise in the information published by the certified public accountant's firm. None.
6. Changes in equity transfer and equity pledge of directors, supervisors, managers and shareholders holding more than 10% in the most recent year and as of the date of publication of the annual report:

(1) Changes in Shareholding of Directors Supervisors Managerial Officers and Major Shareholders:

Title	Name	2024		2025 (as of April 27)	
		Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)	Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)
President	TSOU, KUEI-CHUAN	-	-	(45,000)	-
Director/General Manager	NG, WAN CHAI	-	-	-	-
Director	CHANG, CHUN-CHENG	-	-	-	-
Director	LIN, TSE-MING	-	(350,000)	-	-
Independent director	CHANG, JUNG-MING	-	-	-	-
Independent director	CHEN, AN-SHUN	-	-	-	-
Independent director	KUO, DENG-FU	-	-	-	-
Deputy General manager of General Manager Office	CHIANG, YAN-CHIAN	-	-	-	-
Deputy general manager of R&D center	WU, HUAN-JUNG	-	-	-	-
Director of manufacturing	CHOU, PAI-CHUAN (Note)	-	-	-	-
Project Business 1 Project Vice president/Kunshan Rui Ping General manager	LIN, YUNG-CHIH	-	-	-	-
Director of customer service	KAO-CHI-MING	(5,000)	-	-	-
Head of Management/Head of Accounting/Head of Corporate Governance	LIANG, XIU-RU	-	-	-	-
Audit Supervisor	CHEN, YOU-YU	-	-	-	-

Note: Left office on April 25, 2024.

(2) Information that the relative of the equity transfer is a related person: None.

(3) Information that the relative of the equity pledge is a related person: None.

7. Information about the top 10 shareholders who are related to each other or are spouses or relatives within the second degree

April 27, 2025; Unit: shares; %

Name	Own shares		Spouse and minor children hold shares		Aggregate holding of shares in the names of others		The top ten shareholders have financial accounting standards communicate with each other. The name or the name and the relation of the person who is a spouse or a relative within the second relative		Remark
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Title (or Name)	Relation	
TSOU, KUEI-CHUAN	893,272	3.32%	-	-	700,000	2.60%	Yongguifu Investment Co., Ltd.	Person in charge of the company	-
TSOU, YUNG-HO	801,656	2.98%	-	-	-	-	TSOU, KUEI-CHUAN	Father & Son	
LIN, TSE-MING	800,000	2.98%	-	-	-	-	-	-	-
CHANG, CHUN-CHENG	737,157	2.74%	-	-	-	-	-	-	-
Yongguifu Investment Co., Ltd.	700,000	2.60%	-	-	-	-	TSOU, KUEI-CHUAN	Person in Charge	-
Yongfeng Venture Capital Co., Ltd.	669,000	2.49%	-	-	-	-	-	-	-
HUANG, YAN-WEI	481,000	1.79%	-	-	-	-	-	-	-
LIU, YOO-CHENG	455,000	1.69%	-	-	-	-	-	-	-
NG, WAN CHAI	414,638	1.54%	-	-	-	-	-	-	-
PENG, MING-YAN	403,000	1.50%	-	-	-	-	-	-	-

Note 1: All the top ten shareholders shall be listed, and the names of legal shareholders and representatives shall be listed separately if they are legal shareholders.

Note 2: The calculation of shareholding ratio refers to the calculation of shareholding ratio in one's own name, spouse, minor children or in the name of others.

Note 3: The shareholders listed in the preceding paragraph include legal persons and natural persons, and the relationship between them shall be disclosed in accordance with the issuer's financial reporting standards.

8. The number of shares held by the company, the company's directors, supervisors, managers and undertakings directly or indirectly controlled by the company in the same reinvestment undertakings, and the combined calculation of the comprehensive shareholding ratio.

March 31, 2025 Unit: thousand shares; %

Reinvestment (Note 1)	Investment by the Company		Directors, supervisors, managers and direct or indirect control of investments in undertakings		Comprehensive investment	
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio
Celestial High Global Limited	(Note 2)	100%	-	-	(Note 2)	100%
Kunshan Ruiping precision coating equipment Co., Ltd.	(Note 2)	100%	-	-	(Note 2)	100%

Note 1: The investments were accounted for under the equity meth

Note 2: Limited company type, so no shares.

III. Fundraising situation

1. Capital and shares

(1) Sources of capital stock:

1. Process of capital stock formation:

Unit: Thousand shares/thousand NTD

Year /month	Issue price	Authorized share capital		Paid-in capital		Remark		
		Shares	Amount	Shares	Amount	Source of capital stock	Using property other than cash to offset the share fund	Other
01.2014	10	14,441	144,417	14,441	144,417	Surplus transfer to capital increase 5,554 thousand NTD	None	(Note 1)
12.2014	10	18,052	180,521	18,052	180,521	Surplus transfer to capital increase 36,104 thousand NTD	None	(Note 2)
12.2020	52.8	35,000	350,000	21,000	210,001	Initial Over-The-Counter Cash increase 29,480 thousand NTD	None	(Note 3)
02.2022	53.99	35,000	350,000	21,419	214,187	Corporate bond conversion Issue new shares 4,186 thousand NTD	None	(Note 4)
06.2022	51.38	35,000	350,000	22,639	226,393	Corporate bond conversion Issue new shares 12,206 thousand NTD	None	(Note 5)
11.2022	51.38	35,000	350,000	22,886	228,865	Corporate bond conversion Issue new shares 2,472 thousand NTD	None	(Note 6)
04.2023	51.38	35,000	350,000	23,030	230,305	Corporate bond conversion Issue new shares 1,440 thousand NTD	None	(Note 7)
05.2023	48.52	35,000	350,000	24,050	240,503	Corporate bond conversion Issue new shares 10,198 thousand NTD	None	(Note 8)
07.2023	48.52	35,000	350,000	24,050	240,503	Not Applicable	None	(Note 9)
12.2023	48.52	35,000	350,000	24,073	240,730	Corporate bond conversion Issue new shares 227 thousand NTD	None	(Note 10)
02.2024	48.52	35,000	350,000	24,712	247,119	Corporate bond conversion Issue new shares 6,389 thousand NTD	None	(Note 11)
05.2024	48.52	35,000	350,000	26,884	268,842	Corporate bond conversion Issue new shares 21,723 thousand NTD	None	(Note 12)

Note 1: 2014.01.07 Paper File No. 10291148910.
 Note 2: 2014.12.16 Paper File No. 10391178400.
 Note 3: 2020.12.16 Paper File No. 10991158890.
 Note 4: 2022.02.18 Paper File No. 11190752360.
 Note 5: 2022.06.14. Paper File No. 11190902530.
 Note 6: 2022.11.29 Paper File No. 11191111740.
 Note 7: 2023.04.13 Paper File No. 11290812740.
 Note 8: 2023.05.29 Paper File No. 11290869700.
 Note 9: 2023.07.11 Paper File No. 11290935880.
 Note 10: 2023.12.01 Paper File No. 11291130130.
 Note 11: 2024.02.05 Paper File No. 11390746280.
 Note 12: 2024.05.23 Paper File No. 11390893870.

2. Type of shares:

Unit: Share

Class of shares	Authorized share capital			Remark
	Shares outstanding	Unissued shares	Total	
Common stock	26,884,177	8,115,823	35,000,000	Listed (OTC) stocks

3. Information related to the omnibus declaration system: Not applicable.

- (2) List of major shareholders: the number and proportion of shares held by shareholders with an equity proportion of more than 5% or the top ten shareholders with an equity proportion.

April 27, 2025; Unit: shares; %

Name of principal shareholder	Stock	Shares held	Shareholding ratio
TSOU, KUEI-CHUAN		893,272	3.32%
TSOU, YUNG-HO		801,656	2.98%
LIN, TSE-MING		800,000	2.98%
CHANG, CHUN-CHENG		737,157	2.74%
Yongguifu Investment Co., Ltd.		700,000	2.60%
Yongfeng Venture Capital Co., Ltd.		669,000	2.49%
HUANG, YAN-WEI		481,000	1.79%
LIU, YOO-CHENG		455,000	1.69%
NG, WAN CHAI		414,638	1.54%
PENG, MING-YAN		403,000	1.50%

(3) Dividend policy and implementation status of the company

1. Dividend policy stipulated in the Articles of Association:

If the Company has a surplus in the final accounts of each year, in addition to the income tax payable in accordance with the law, it shall first make up the losses of previous years, and the next 10% shall be the statutory surplus reserve. However, when the statutory surplus reserve has reached the amount of the Company's paid-in capital, it may no longer be included in the statutory surplus reserve, and then the special surplus reserve shall be appropriated or reversed in accordance with the provisions of the competent authority. If there is any balance, and the accumulated undistributed surplus is considered as the balance available for distribution, the board of directors shall, after examining the company's operating status, submit it to the shareholders' meeting for a resolution on distribution.

The Company is in a stable growth stage of the industry, based on sound financial planning for sustainable business development, for the allocation of earnings, the company's future capital expenditure budget and capital needs should be taken into account in determining the amount of earnings retained or allocated. Dividends to shareholders may be distributed in the form of cash or stock, provided that the cash dividend shall not be less than 50 percent of the total dividends to shareholders in the current year. However, the proportion of such dividend payment may be adjusted according to the actual profit and capital needs of the year.

If the amount of surplus of the Company in the current year is much lower than the surplus actually distributed by the Company in the previous year, or if the company considers such factors as finance, business and operation, it may distribute all or part of the surplus according to law or as prescribed by the competent authority.

2. Implementation Status:

The Company's 2024 annual surplus distribution motion was passed by the Board of Directors on May 8, 2025, and resolved to distribute the cash dividend to shareholders of NT \$80,652,531, but the base date of distribution has not yet been decided.

(4) The impact of the proposed gratuitous rights issue in the current year on the Company's operating performance and earnings per share:

The Company's 2024 annual earnings distribution plan is a cash dividend distribution, so it is not applicable.

(5) Compensation of employees, directors and supervisors:

1. Percentage or scope of remuneration of employees, directors and supervisors as set out in the articles of association:

If there is any profit in the annual general accounts of the Company, no less than 3% shall be appropriated for employee compensation, which shall be distributed by the Board of Directors in stock or cash, including the employees of the subsidiary company who meet certain conditions; The Company shall allocate no more than 3% of the above initial profits to the remuneration of the directors and supervisors by resolution of the Board of Directors, and the remuneration of the directors and supervisors shall be in cash.

The remuneration of the employees and the remuneration of the directors and supervisors shall be distributed by the Board of Directors with a resolution attended by more than two-thirds of the directors and approved by a majority of the directors present, and shall be reported to the shareholders' meeting.

However, if the company still has accumulated losses, it shall reserve the compensable amount in advance, and then allocate the compensation of employees and directors and supervisors in accordance with the proportion of the preceding paragraph.

2. The basis for estimating the amount of employee, director, and supervisor profit-sharing compensation, for calculating the number of shares to be distributed as employee profit-sharing compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period: None.

3. Remuneration approved by the Board of Directors:

On March 12, 2025, the Company decided to set aside NT \$5,832,578 for employees and NT \$5,832,577 for directors and supervisors, respectively, and intends to pay them all in cash.

4. The actual distribution of employee, director, and supervisor profit-sharing compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee, director, or supervisor profit-sharing compensation, additionally the discrepancy, cause, and how it is treated: None.

(6) Circumstances in which the Company repurchases its shares: None.

2. Corporate bond Handling Situation:

Corporate bond handling situation

Types of corporate bonds (Note 2)		The first secured conversion of corporate bonds in China
Date of issue (processing)		June 10th, 2021
Denomination		NT \$100 thousand per piece
Place of issue and trading (Note 3)		Not Applicable
Issue price		Total issue: NT\$300,000 thousand.
Gross amount		Issued at 102% of face value, the total amount of issue is NT\$306,000 thousand.
Interest rate		0%
Deadline		3 years, 2021/6/10~ 2024/6/10
Guarantee mechanism		Yushan Commercial Bank Co. Ltd.
Bailee		Taishin International Commercial Bank Co., Ltd.
Underwriting agency		Unified Comprehensive securities Co. Ltd.
Certified lawyer		Not Applicable
Certified accountant		Not Applicable
Method of repayment		The principal shall be repaid in cash at maturity according to the denomination of the bonds, except for those converted, sold back or redeemed in advance by the Company or bought back for cancellation by the securities firm's business premises.
Outstanding principal		NT\$0.
Redemption or early redemption clause		Please refer to the Company's first domestic secured convertible bond issue and conversion method.
Restriction Clause (Note 4)		None
Name of credit rating agency, rating date, corporate bond rating results		Not Applicable
Plus other rights	The amount of ordinary shares, overseas depositary receipts or other marketable securities converted (exchanged or subscribed) as at the date of publication of the annual report	NT\$298,500,000
	Issuance and conversion (exchange or subscription) method	Please refer to the Company's first domestic secured convertible bond issue and conversion method.
Issue and conversion, exchange or subscription method, issue conditions on the possible dilution of equity and the impact on the equity of existing shareholders		No significant impact
Name of the institution entrusted to exchange the subject matter		Not Applicable

Note 1: Corporate bond handling includes public offering and private placement of corporate bonds in process. The public offering of corporate bonds in process means that it has been effective (approved) by the Council; The private placement of corporate bonds in process refers to those that have been approved by the Board of Directors.

Note 2: The number of fields depends on the actual number of adjustments.

Note 3: Listed for overseas corporate bonds.

Note 4: Restrictions on the payment of cash dividends, foreign investment or requirements to maintain a certain proportion of assets, etc.

Note 5: Private placement should be indicated in a prominent manner.

Note 6: In the case of conversion bonds, exchange bonds, all-inclusive declaration and issuance of bonds or bonds with warrants, the information of conversion bonds, exchange bonds, all-inclusive declaration and issuance of bonds with warrants shall be disclosed in the tabular format according to the nature.

3. Special Unit handling Situation: None.

4. Overseas depositary Receipt Handling Situation: None.

5. Employee stock option handling situation: None.

6. Limited employee rights new shares: None.

7. Merger and acquisition or transfer of shares of other companies to issue new shares: None.

8. Implementation of the fund application plan: as of the quarter before the date of publication of the annual report, the issuance or private placement of marketable securities has not been completed or has been completed within the last three years and the planned benefits have not yet appeared: None.

IV. Operation overview

1. Business content

(1) Business scope

1. Main contents of the company's business:

- A. Design, manufacture, processing and trading of various metal machinery and parts.
- B. Design, manufacture, processing and trading of various molds.
- C. Various tanks and related pipeline engineering.
- D. Design, manufacture, processing, maintenance and trading of automated mechanical equipment and parts.
- E. Design, manufacture, processing and trading of precision testing instruments and parts.
- F. Import and export business of the former products.
- G. E603050 Automatic control equipment engineering.
- H. EZ05010 Instrument and meter installation engineering.
- I. E604010 Mechanical installation industry.

2. Business proportion

Unit: NT\$ thousand; %

Year Item	2023		2024	
	Turnover	Business proportion	Turnover	Business proportion
Printed circuit board substrate process equipment	1,047,717	79.96	1,371,376	91.12
Film process equipment	136,446	10.41	0	0
Modification and relocation of old equipment	0	0	102,487	6.81
Sales service	97,526	7.44	26,745	1.78
Other	28,716	2.19	4,398	0.29
Total	1,310,405	100	1,505,006	100

3. Current products and services of the Company and its subsidiaries

No.	Business item
A. Equipment	
1.	Vertical Impregnation Coating Equipment for Copper Clad Laminates (CCL)
2.	PTFE (Teflon) Impregnation Machine
3.	Flexible Circuit Board Coating/Laminating Machine (2-Layer, 3-Layer, 2/3-Layer)
4.	Ceramic Thin Film (MLCC) Coating Machine
5.	Low-Temperature Co-Fired Ceramic (LTCC) Coating Machine
6.	Reflective Film Coating and Laminating Machine
7.	Nano Silver Wire Coating Machine
8.	Compact Multi-Functional Coating/Laminating Machine
9.	Optical Film Coating Pilot Machine
10.	Tape Coating/Laminating Machine (Release Paper, PVC Tape, Double-Sided Tape, BOPP Tape)
11.	Dual-Side Coating/Laminating Machine
12.	Pearlescent Paper Coating Machine

A. Equipment	
13.	Foam Adhesive Coating & Laminating Machine
14.	Aluminum Foil Coating Machine
15.	Solar Backsheet Coating Machine
16.	Single-Station Gravure Roll Coating Machine
17.	Single-Station Slot Die Coating Machine
18.	Lithium Battery Dual-Layer Separator Coating Machine (Single-Sided)
19.	High-Speed SPVC Tape Coating Machine
20.	Horizontal Impregnation Coating Equipment for CEM-1/CEM-3 Substrates
21.	Carbon Fiber Composite Material Production Equipment
22.	Fully Automatic Dual-Spool Tape Slitting Machine
23.	Nitrogen Atmosphere Drying Oven
24.	Anti-Fog Film Gravure Coating Machine
25.	Plastic Ultrasonic Welding Machine
26.	Thermal Lamination Press
27.	Aluminum-Plastic Film Coating & Laminating Machine
B. Coating experiment engineering	
C. Engineering planning and implementation	
1.	Equipment renovation project
2.	Relocation project
3.	Installation project
4.	Piping project
D. After-sales service	
1.	Spare parts and accessories
2.	Equipment regular maintenance and repair

4. Planned development of new products and services

The Company's R&D efforts are primarily oriented toward industry trends to meet client requirements, while also focusing on future market needs to align with end-use applications. In response to these trends, the Company plans to develop the following new products and technologies:

- A. Cleanroom-grade, High-Temperature Resistant Ovens: For drying applications in the optical and touch panel industries.
- B. Aramid Calendering Production Equipment: For the aerospace/automotive and copper-clad laminate industries.
- C. Tension Die Coating Machines: For use in the optical and MLCC industries.
- D. Copper Foil Processing Machines and Composite Material Equipment.
- E. PTFE (Teflon) Impregnation Equipment for Communication Substrates and Horizontal Coating Systems.

To maintain a highly competitive edge, the Company will flexibly adjust its R&D plans in accordance with operational strategies and market demands.

(2) Industry overview

1. Current status and development of the industry

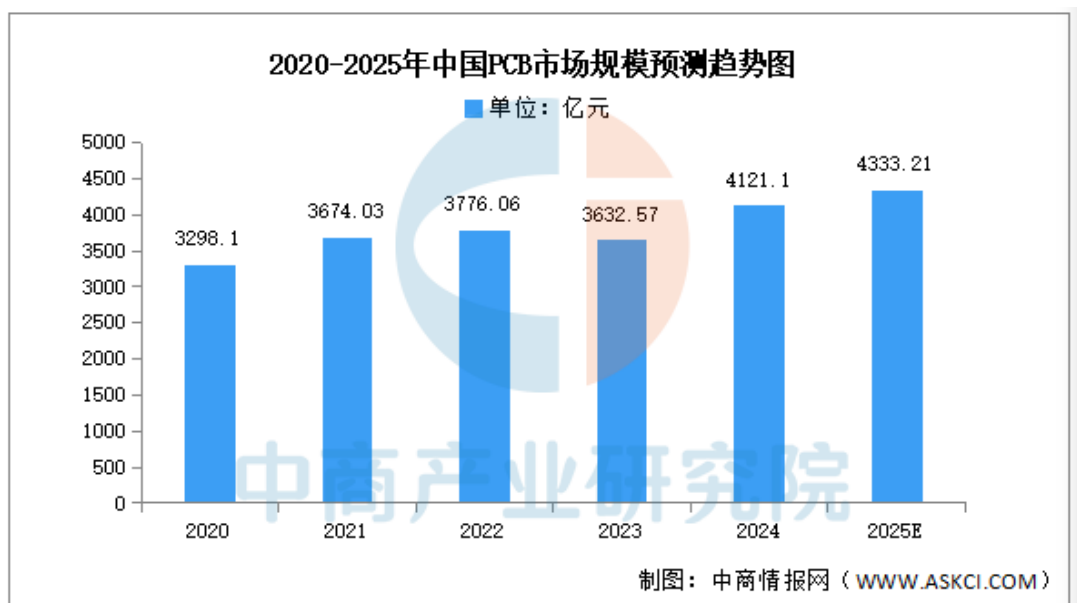
A. Specialized Production Machinery Equipment Industry

The machinery equipment industry can mainly be categorized into semiconductor production equipment and components, flat panel display production equipment and components, and other electronic production equipment and components. Looking ahead to 2025, the global economy still faces uncertainties such as the potential implementation of new policies by the U.S. under Trump, the dynamics of supply chain restructuring, and trade changes brought by international net-zero carbon reduction policies. Once U.S. President Trump's policies, such as tariffs, become clearer, and if the Russia and Ukraine war ceases, European countries will no longer need to financially support Ukraine and can instead focus on developing their own economies, which will have a stimulating effect on the economy. The outlook for Taiwan's machinery industry may improve in the second half of the year.

B. Printed Circuit Boards

According to the Taiwan Printed Circuit Association (TPCA) report in April 2025, the global PCB output value grew by about 7.6% last year (2024), reaching US\$80.9 billion. In 2025, the demand for AI servers and electric vehicles will continue to drive industry growth, with the global PCB market expected to grow by 5.5%, reaching an output value of US\$85.4 billion, showing steady upward development. For the development of the global PCB industry in 2025, the Taiwan Printed Circuit Association (TPCA) and the Industrial Economics and Knowledge Center (IEK) of ITRI summarized three major key issues, including AI gradually penetrating from the cloud to edge computing, electronic products may undergo another large-scale transformation, EMS factories starting manufacturing in the U.S., the global trade landscape may change, meanwhile, Thailand's PCB cluster is facing a talent shortage, and mass production progress may be affected.

The "2025-2030 China Printed Circuit Board (PCB) Industry Development Trends and Forecast Report" released by the Askci Consulting Co., Ltd. shows that the global PCB market size was US\$78.34 billion in 2023, a year-on-year decrease of 4.2%, and is expected to reach approximately US\$88 billion in 2024. With the widespread adoption of AI technology and the rise of new energy vehicles, the demand for PCBs related to AI servers and automotive electronics has significantly increased, becoming a major driver of industry growth. Analysts from the China Business Industry Research Institute predict that the global PCB market size will reach US\$96.8 billion in 2025.



Source: Compiled by Askci Consulting Co., Ltd.

As for copper clad laminates, they are primarily a key upstream component for products such as PCBs and IC substrates. The main upstream raw materials for CCL include copper foil, fiberglass cloth, and BT resin. While copper prices affect the pricing of CCL, downstream demand is the determining factor for sales value performance. Factors such as 5G, the stay-at-home economy, electric vehicles, and server demand growth have driven the momentum of CCL. The demand for high-end CCL is mainly driven by AI servers and 800G switches. These cutting-edge technologies are increasing the demand for high-quality CCL. In particular, AI servers require 5 to 7 times more CCL than traditional servers. Additionally, 800G switches are entering mass production, which will further accelerate demand in the high-end market.

Printed circuit boards (PCBs), IC substrates, and copper clad laminates have a wide range of applications. After 2023, market conditions have gradually recovered due to various national initiatives. New PCB clusters are taking shape in Southeast Asia, carbon neutrality efforts are progressing, the value and volume of automotive PCBs are increasing, and AI applications are boosting demand for rigid PCBs. The PCB industry is set to regain its prosperous momentum.

C. Semiconductor Industry

In 2025, driven by the rising demand for artificial intelligence (AI) and high-performance computing (HPC), the semiconductor industry continues to experience significant growth. The increasing demand for applications such as cloud data processing, electric vehicles, wireless communications, and end-product devices, along with the advancement of emerging technologies requiring high-performance semiconductor components, has led to sustained demand growth. According to the KPMG 2025 Global Semiconductor Industry Survey, a high proportion (92%) of senior executives predict revenue growth for the semiconductor industry in the coming year, with one-third (36%) even anticipating growth exceeding 10%, reflecting strong confidence in the industry's growth prospects.

Regarding the development of Taiwan's semiconductor industry, the Market Intelligence & Consulting Institute (MIC) estimates that Taiwan's semiconductor industry output value will grow by 15.4% year-on-year in 2025, reaching NT\$5.45 trillion. Advanced manufacturing processes continue to drive robust revenue growth, with foundry output value expected to reach NT\$3.39 trillion, a 20% year-on-year increase. This growth is fueled by sustained high demand for AI computing and a gradual recovery in end-product shipments, following the trends of 2024. The full capacity utilization of advanced processes is projected to restore the utilization rate of 12-inch wafer foundry production to 80%. However, the U.S. government's tariff policies remain a major uncertainty for Taiwanese IC manufacturers in terms of U.S. sales and operations. Looking at other semiconductor sub-sectors, Taiwan's IC design output value is estimated to grow by 12% year-on-year, reaching NT\$1.32 trillion. This growth is primarily driven by the deeper integration of AI into more end-devices, as well as opportunities in automotive electronics and the smart IoT market.

D. Electric Vehicle Industry

As countries worldwide have reached a consensus on environmental protection and energy conservation/carbon reduction, the global transition to renewable energy is accelerating to reduce reliance on traditional energy sources and achieve net-zero carbon emissions. In this context, electric vehicles (EVs) and green transformation benefits are particularly crucial. The European Union has announced a ban on the sale of fuel-powered vehicles after 2035, while the United States has declared that over half of new cars sold will be electric starting from 2023. Under this trend, EVs have firmly established themselves as the mainstream of the future.

The EV market has long become a key focus for semiconductor manufacturers. Both the semiconductor and PCB industries stand to benefit from automotive applications. The

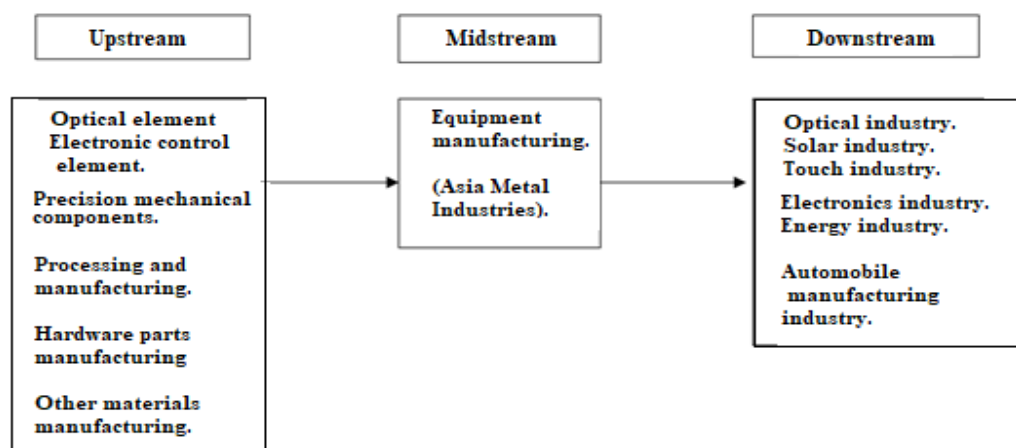
equipment produced by our company is used in PCB copper-clad laminates, IC substrates, and the semiconductor industry. Additionally, our R&D in high-temperature-resistant ovens and composite materials can be widely applied in the EV industry. Consequently, we also benefit from the EV sector while contributing to environmental protection and carbon reduction.

E. AI Industry

Generative AI has entered a phase of rapid growth from 2023 to 2028, with the global market size increasing from US\$11.3 billion to US\$51.9 billion, achieving a compound annual growth rate (CAGR) of 35.6% over five years. Driven by the AI wave, in addition to the traditional two major applications PCs and regular servers, the ABF substrate market has successfully expanded due to the doubling growth of AI servers. The development of high-frequency and high-speed materials remains a key focus in the market. Taiwanese manufacturers' technological advantages in the high-end CCL market will continue to play a critical role, further boosting demand for high-frequency and high-speed materials. It is estimated that Taiwan's PCB material output value will continue to grow in 2025.

The high-performance computing demands of AI servers are steadily rising, driving the adoption of higher-specification materials. Among them, CCL of M7 grade and above has become the market mainstream (the higher the number after "M," the better the material performance). Moreover, upgrading the material grade by one level does not merely increase its value proportionally. For example, the price of M8 is twice that of M7. Taking 800G switches as an example, they use M8-grade CCL, resulting in a 30% to 50% higher price for 800G CCL compared to traditional CCL. Therefore, increasing the market penetration of high-end materials helps enhance material suppliers' revenue and profitability, making it a key strategic direction for major CCL manufacturers.

2. The links between the upstream, midstream, and downstream segments of the industry



3. Product development trend

The products and technologies primarily stem from downstream market demands. Electronic products continue to evolve toward being thinner, lighter, more compact, highly reliable, multifunctional, high-frequency, high-speed, and environmentally friendly. In response to market needs, the CCL industry, FCCL industry, MLCC industry, and composite materials industry will invest more in process R&D and equipment upgrades to enhance product competitiveness.

4. Competitive situation

The Company's main competitors in markets such as impregnation machines and coating machines are Japanese manufacturers. While there is little difference in equipment technical capabilities between both sides, our company's price advantage gives us superior competitiveness over Japanese manufacturers. However, Japanese manufacturers have recently begun collaborating with Taiwanese manufacturers through OEM arrangements to secure orders in the market, thereby increasing competitive pressure on our company. Currently, competitors are still in the adjustment phase of Taiwan-Japan integration, so the impact on the Company's orders remains limited. Nevertheless, to ensure long-term competitiveness, we are not only continuously enhancing R&D capabilities, improving equipment precision, and implementing modular designs to reduce costs, but also actively expanding into other industries. We are collaborating with numerous research institutions and customers to develop next-generation material equipment, which will serve as a niche for the Company's future operational scale expansion.

(3) Technology and R&D overview

1. Technical level of core business operations

The Company was established in October 1973. The primary technologies currently employed in our core operations include: coating technology, impregnation technology, laminating technology, drying and film-forming technology, adhesive preparation technology, and instrumentation/electrical control technology. Complemented by superior manufacturing craftsmanship, extensive installation experience, after-sales service, and pilot plant capabilities covering both hardware and software technologies, we have earned high recognition from clients. Our R&D team maintains ongoing collaboration with partners such as Academia Sinica and key customers to enhance critical process technologies and innovation capabilities, ensuring our technical standards consistently surpass industry peers' product offerings.

2. Research and development

The Company continuously develops and improves various specialized process equipment such as automated coating machines, experimental machines, and laminating machines in response to customer needs, constantly accumulating and enhancing R&D technology experience and capabilities. To meet customer product requirements, we continuously upgrade coating lines and other equipment specifications. Based on our existing automation hardware and software technologies, we will conduct related technology development and industrial equipment extensions, collect and analyze production data according to customer factory needs, and focus on improving existing technologies and advanced product R&D to achieve intelligent, smart, and automated manufacturing systems for customers. We aim to maintain our industry-leading position and competitive advantage by not only leading in market share but also staying ahead of peers in technological R&D.

3. Research and development personnel and academic experience:

Education	2023		2024		As of April, 2025	
	Persons	Ratio (%)	Persons	Ratio (%)	Persons	Ratio (%)
Doctor	1	6.67	1	5.26	1	5.26
Master	2	13.33	2	10.53	2	10.53
College	12	80.00	16	84.21	16	84.21
Below high school (including)	-	-	-	-	-	-
Total	15	100.00	19	100.00	19	100.00

4. R&D expenses invested in each of the last five years

		Unit: NT\$ thousand; %				
Item	Year	2020	2021	2022	2023	2024
R&D Expenses		25,349	28,453	30,506	26,356	34,527
Net revenue		969,462	1,250,625	1,455,598	1,310,405	1,505,006
R&D expenses and costs as a percentage of net revenue		2.62%	2.28%	2.10%	2.01%	2.29%

5. Technologies or products successfully developed in the last five years

Year	Product/patented technology name
2020	R&D and Sales of Continuous 5G Circuit Composite Material Production Equipment (Model: 9388) Successfully Resolved Production Equipment Challenges for Flexible Nano-Silver Wire Transparent Conductive Film Clients. Next-Gen CCL Impregnation Equipment for 5G High-Frequency/High-Speed Applications (Model: 9392)
2021	CCL Stainless Steel Heating Plate with Nano-Ceramic Radiant Coating (Model: 3130) FCCL Cyclization High-Temperature Lamination Mechanism (Model: 2261)
2022	4 Taiwan patents and 3 China patents has been obtained. Specialized industrial Die coating equipment development and mass production testing. Large-format (1,600mm) SLOT DIE optical coating equipment development and mass production testing. MLCC Tension Die coating equipment development and mass production testing. Energy storage coating equipment and peripheral equipment development and mass production testing.
2023	PTFE impregnation processing equipment successfully developed and patented. Treater (impregnation machine) successfully developed PTFE material oven and patented. Teflon horizontal coating equipment successfully developed and patented. Copper foil post-processing machine bearing block design improvement successfully produced and patented. Treater (impregnation machine) developed stainless steel oven successfully produced and patented. Treater (impregnation machine) roller device material and process modification/improvement successfully patented.
2024	Development of Copper Foil Surface Treatment Equipment Development of High-End Copper Clad Laminate (CCL) Impregnation Equipment

- (4) Long-term and short-term business development plans
1. Short-term business development plan
 - (1) Marketing strategy:
 - A. Ensure product quality and delivery timelines through integrated services combining sales, production, and R&D to enhance competitive advantages.
 - B. Establish a customer service system to improve client satisfaction and foster long-term partnerships.
 - C. Pursue collaborations with international leaders to continuously increase market share.
 - D. Assist global clients in resolving equipment issues from other manufacturers.
 - E. Enhance customer satisfaction while actively developing new clients.
 - (2) R&D strategy:
 - A. Enhance the performance of CCL impregnation equipment to achieve cleanroom standards capable of mass-producing 1000-grade fiberglass cloth, significantly boosting equipment competitiveness.
 - B. Develop new MLCC coating equipment achieving 2μm dry coating thickness at 30-50M/min machine speed, while assisting customers in production ramp-up.
 - C. Continuously improve equipment aesthetics to elevate perceived value.
 - D. Develop RCC coating equipment.
 - E. Develop thermoplastic process equipment for composite materials.
 - F. Develop high-temperature resistant ovens.
 - G. Develop PTFE communication equipment and horizontal processing equipment.
 - (3) Production Strategy:
 - A. Optimize capacity planning and allocation to enhance overall production efficiency, facilitating deeper cross-strait division of labor and localized procurement to reduce costs.
 - B. Improve resource utilization while minimizing consumption and waste.
 - C. Identify qualified machining and assembly partners to support capacity expansion.
 - D. Continuously analyze and refine post-order production issues, integrating solutions into standardized workflows.
 - E. Complete construction of Plant II to boost in-house production ratios and total output capacity.
 - (4) Financial Strategy:
 - A. Maintain prudent and conservative financial policies to ensure operational stability.
 - B. Strengthen cash flow management aligned with business growth requirements.
 - C. Enhance currency risk controls to mitigate inflation and exchange rate volatility impacts.
 2. Long-term business development plan
 - (1) Marketing Strategy
 - A. Expand international client base with focus on industry leaders to reduce business cycle volatility
 - B. Enhance cooperation depth and breadth to strengthen competitiveness
 - C. Proactively establish domestic/overseas partnerships for cross-industry expansion
 - (2) R&D Strategy
 - A. Develop LTCC coating equipment achieving 1000μm dry thickness
 - B. Create Tension die MLCC coating machines
 - C. Develop Tension die optical coating machines
 - D. Innovate high-temperature thermoplastic process equipment for composites

(3) Production Strategy

- A. Optimize manufacturing processes through competitive production technologies to improve quality and reduce costs
- B. Leverage the Company's customized equipment development capabilities to deliver next-gen process-specific equipment for clients' new requirements
- C. Cultivate qualified supplier network for risk diversification and cost reduction
- D. Standardize components for bulk purchasing to shorten lead times and lower material costs

(4) Operational Scale & Financial Strategy

- A. Emphasize corporate governance, staff training, financial transparency, and prudent capital structure planning
- B. Collaborate with Japanese peers via OEM→ODM evolution to advance the Company's technical and manufacturing capabilities while jointly developing new markets, creating win-win opportunities.

2. Market and production and marketing overview

(1) Market analysis

1. Sales area of main products

Unit: NT\$ thousand; %

Sales territory \ Year	2023		2024	
	Amount	%	Amount	%
Taiwan	123,146	9.40	174,653	11.60
China	1,187,259	90.60	1,330,353	88.40
Other	-	-	-	-
Total	1,310,405	100.00	1,505,006	100.00

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

On the demand side, the global economy still faces uncertain factors such as the potential implementation of the new Trump administration policies in the United States, dynamic supply chain restructuring, and trade changes brought by international net-zero carbon reduction policies, making it difficult for the global economic climate to show significant recovery momentum in the short term. However, applications such as 5G and AI will continue to sustain the demand for high-performance computing. On the supply side, as equipment manufacturers continue to focus on developing related technologies and extending industrial equipment based on existing automation hardware and software systems, while collecting and analyzing production data according to customer needs, they aim to achieve intelligent, smart, and automated manufacturing systems through the refinement of existing technologies and the development of advanced products. With diversified application layouts in place, new production capacities gradually entering mass production, and semiconductor manufacturers having adjusted their inventories, it is expected that the downward trend in Taiwan's printed circuit board manufacturing industry in 2025 should ease.

3. Competitive niche

The Company has been engaged in the automation equipment business for 50 years, possessing outstanding R&D capabilities and comprehensive automation equipment sales capabilities with one-stop after-sales service experience. Our product manufacturing quality surpasses industry standards, giving our products differentiated advantages or cost-competitive advantages. Therefore, in the automation equipment industry, our company maintains certain competitive strengths.

4. Positive and negative factors for future development and countermeasures

(1) Positive factors

- A. Future technology trends all fall within the application scope of the Company's equipment, and the usage of components is expected to significantly increase compared to current levels.
 - a. PCBs are often referred to as the "mother of electronic system products" or the "foundation of the 3C industry," while copper-clad laminates (CCL) serve as the basic material for electronic products. Currently, there are no substitutes for CCL, and its product lifecycle is long. Depending on the base material, CCL exhibits different characteristics, with glass fiber epoxy laminates being the most commonly used. Most of the Company's CCL impregnation equipment customers produce glass fiber epoxy laminates, with a small portion shifting to fluoropolymer-based high-frequency laminates, and this proportion is increasing year by year.

- b. An electric vehicle requires approximately 10,000 MLCCs, compared to about 600 to 700 MLCCs in a notebook computer. The automotive market demands large quantities and offers high profits, prompting passive component manufacturers in recent years to shift production capacity from consumer electronics to the "high-capacity, high-voltage" automotive MLCC sector. This has led to a gradual reduction in the supply of consumer-grade MLCCs. Additionally, due to previously low profit margins, many manufacturers exited the market. However, the design of new tech products increasingly requires more components each year, resulting in shortages for both consumer-grade MLCCs and LTCC, which has higher entry barriers.
 - c. Under the trend of lightweight and multifunctional end products, the applications of flexible printed circuits (FPCs) are expanding annually. With the increasing diversification of mobile devices, including smartphones, tablets, and various wearables...global demand for FPCs continues to rise. FPCs are even being adopted in automotive electronics. Thus, it is no exaggeration to say that FPCs are currently the product type with the highest growth potential in the global PCB industry. Beyond smartphones, the number of FPCs used per vehicle is even greater and growing faster.
 - d. Developing composite material equipment for manufacturing lightweight products used in automotive and aerospace industries.

- B. Diverse product portfolio, keeping pace with the times and possessing excellent brand image
 - a. We offers a diverse range of products serving a wide spectrum of industries.
 - b. With total customer satisfaction as the Company's ultimate goal, we provide customized equipment tailored to client needs, growing together with customers to achieve mutual success.
 - c. With extensive R&D and technology integration experience coupled with comprehensive pre-sales and after-sales services, we have become indispensable business partners to our clients, evidenced by high repurchase rates particularly for our CCL impregnation equipment.
 - d. Continuously monitor market trends to develop new specialized equipment or upgrade existing models e.g., smart functionalities, aesthetic enhancements to explore new markets and offer customers broader options.
 - e. Through strategic alliances, we develop integrated production solutions spanning materials, processes and equipment to penetrate new industrial applications.
 - f. Collaborating with Japanese equipment manufacturers, initially adopt OEM arrangements progressing to ODM partnerships, stimulating technological innovation, refining manufacturing techniques, and mutually supporting market development efforts.
- C. Rising environmental awareness

To comply with various regulations restricting hazardous substances in electronic products, copper clad laminate manufacturers are actively investing in eco-friendly production processes and developing halogen-free/lead-free environmentally friendly substrates. As these processes and equipment require substantial technical expertise, this has driven CCL manufacturers to either establish new production capacities or upgrade existing equipment.

- (2) Negative factors and countermeasures
 - A. Highly diversified product portfolio leads to higher management costs.
Countermeasures: Standardize components and optimize production processes.
 - B. Accelerated market cycles coupled with prolonged equipment setup timelines.
Countermeasures:
 - a. Standardize components to reduce material lead times.
 - b. Modularize equipment designs to shorten on-site assembly duration.

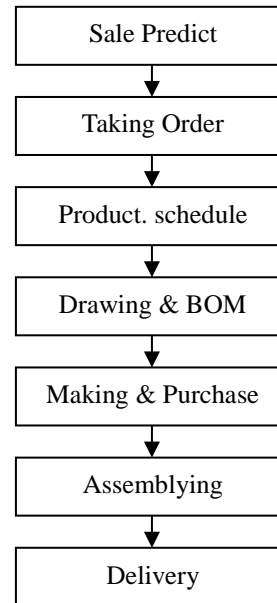
(2) The important uses and production processes of the main products

1. Important uses of main products

Product name	Main applications
Printed Circuit Board Substrate Manufacturing Equipment	<p>1. Vertical impregnation machine for copper-clad laminates Used for producing prepreg. The prepreg is laminated with copper foil under high temperature and pressure to form copper-clad laminates (CCL). CCL can be divided into traditional rigid boards and HDI boards (high-density PCBs). Traditional rigid boards are widely used and can carry higher currents, primarily applied in televisions, PCs, gaming consoles, servers, etc. HDI boards are characterized by being lightweight and compact, with high circuit density, low interference, and short transmission paths, mainly used in smartphones, PCs, automotive electronics, etc.</p> <p>2. Vertical impregnation machine for high-frequency copper-clad laminates Used for producing fluoropolymer-based prepreg. The fluoropolymer-based prepreg is laminated with copper foil under high temperature and pressure to form high-frequency copper-clad laminates. The key feature of high-frequency materials is high-speed performance. Fluoropolymer-based prepreg meets the requirements for high speed and low loss but comes at a higher cost. High-frequency copper-clad laminates are commonly used in automotive collision avoidance systems, satellite systems, and radio systems, meeting the high-speed transmission demands of future IoT, 5G, and autonomous vehicles.</p> <p>3. Coating and lamination machine for flexible copper-clad laminates Used for producing flexible copper-clad laminates (FCCL). Based on the number of layers, they can be categorized into adhesive-less FCCL (2-Layer FCCL) and adhesive-based FCCL (3-Layer FCCL). 2L FCCL offers advantages such as high heat resistance, excellent flexibility, and good dimensional stability but at a relatively higher cost. Therefore, most flexible circuits primarily use 3L FCCL, while only higher-end flexible circuits utilize 2L FCCL. With the diversification of mobile devices and the trend toward lightweight and multifunctional end products, FCCL is mainly applied in smartphones, wearable devices, tablets, etc. These diverse products will drive increasing demand for flexible circuits.</p>
Thin Film Process Equipment	<p>1. Ceramic thin film coater Used for producing ceramic layers (thickness: 5~25μm). Multilayer ceramic capacitors (MLCCs) are formed by alternately stacking ceramic materials and electrode layers. MLCCs come in various specifications, with differences mainly in capacitance (charge storage per unit voltage), size, temperature stability, maximum operating voltage, safety certifications, ESR (equivalent series resistance/charge-discharge time), and Q factor (energy loss). Based on size, MLCCs are categorized into 0805 and 0603 types (used in motherboards and laptops) and 0402 and 0201 types (for high-end smartphones). As electronics trend toward miniaturization, demand for 0402 and 0201 specifications continues to rise, driven by consumer electronics like iPod/iPhone, gaming consoles, and LCD TVs.</p>

Product name	Main applications
	<p>2. LTCC thin film coater Used for producing low-temperature co-fired ceramic (LTCC) layers (thickness: $\geq 250\mu\text{m}$). LTCC serves as a circuit substrate, with inner/outer electrodes made of silver, copper, or gold. Sintered at 850–900°C, passive components (e.g., low-capacitance resistors, filters, couplers) are embedded into multilayer ceramic substrates via parallel printing and co-firing, creating integrated ceramic modules. LTCC's material similarity to silicon allows seamless IC integration, saving space and reducing costs. Its primary market is compact portable devices, aligning with wireless communication module trends.</p> <p>3. Energy substrate process equipment</p> <p>3.1 Solar backsheet The solar backsheet is laminated with solar panels and other substrates to form solar modules for power generation applications. Positioned on the rear side of solar panels, the backsheet provides protection and structural support to the solar cells, while delivering reliable insulation, moisture resistance, and anti-aging properties. DuPont's 30 years of field performance data demonstrates that the quality of solar backsheets is critical to the return on investment in the solar industry. As solar modules are subjected to long-term exposure in various outdoor environments (including deserts, tropical, temperate, coastal and high-altitude climates), they serve as the ultimate test for component durability, material quality and manufacturing standards. Notably, the backsheet's durability directly impacts the system's power degradation rate, which in turn determines the operational lifespan of the solar power system.</p> <p>3.2 Lithium Battery Electrodes Lithium batteries are rechargeable lithium-ion secondary batteries widely used in various 3C electronic products (mobile phones, digital cameras, notebook computers, MP3 players, etc.). A lithium battery consists of a cathode, anode, separator, electrolyte, and safety valve. The key requirements for lithium batteries include high capacity, long lifespan, and high safety, with the first step to improving battery performance naturally focusing on cathode and anode materials. Pouch cells represent the lithium battery type with the highest capacity, lightest weight, and greatest safety. They feature ultra-thin characteristics and can be customized into any shape to meet diverse product requirements. The aluminum laminate film serves as the most critical outer packaging material for pouch cells, composed of a five-layer structure (nylon/adhesive layer/aluminum foil/adhesive layer/polypropylene).</p>

2. Production process of the product



(3) Supply status of main raw materials:

The main raw materials of the Company's products include sheet metal/workpiece, precision mechanical components, hardware parts optical components, electronic components and other parts, all kinds of materials are stable and long-term cooperation with domestic and foreign high-quality suppliers, the supply situation is good.

(4) Customers who have accounted for more than 10% of the total amount of imports (sales) in any year of the most recent two years, and the amount and proportion of imports (sales)

1. Main import and sale customer list

(1) The name of the supplier that has accounted for more than 10% of the total purchase in any year of the recent two years, and the amount and proportion of the purchase, and explain the reason for the change:

Unit: NT\$ thousand

	2023				2024				As of the first quarter of 2025 (Note 2)			
Item	Name	Amount	Ratio of net annual purchases (%)	Relationship with the issuer	Name	Amount	Ratio of net annual purchases (%)	Relationship with the issuer	Name	Amount	Ratio of current year's net purchases to last quarter (%)	Relationship with the issuer
1	Company A	134,582	21.71	None	Company A	159,223	19.10	None	Company B	11,909	5.52	None
	Net purchases	619,856	100.00	-	Net purchases	833,646	100.00	-	Net purchases	215,748	100.00	-

Note 1: Names of suppliers and the purchase amount and proportion of more than 10% of the total purchase in the latest two years, but because the contract does not disclose the name of the supplier or the transaction object is an individual and not a related party, it can be identified.

Note 2: As at the date of publication of the annual report, companies listed or whose shares have been traded on the premises of securities firms should disclose the most recent financial information that has been certified or audited by accountants.

Explanation of changes in purchase:

The change of the Company's main purchasing manufacturers is mainly due to the procurement policy of material preparation, the Cost Down of materials and parts and the training of main suppliers and other factors, so the reason for the change is reasonable.

(2) Name of the major selling customers who have accounted for more than 10% of the total sales in any year of the most recent two years, and the amount and proportion of their sales, and explain the reasons for their changes:

Unit: NT\$ thousand

	2023				2024				As of the first quarter of 2025 (Note 2)			
Item	Name	Amount	Ratio of net annual purchases (%)	Relationship with the issuer	Name	Amount	Ratio of net annual purchases (%)	Relationship with the issuer	Name	Amount	Ratio of current year's net purchases to last quarter (%)	Relationship with the issuer
1	Company C	366,362	27.96	None	Company C	332,899	22.12	None	Company H	98,674	37.91	None
2	Company A	156,182	11.92	None	Company F	314,074	20.87	None	Company I	51,155	19.65	None
3	Company D	144,185	11.00	None	Company C	267,455	17.77	None	Company J	48,709	18.71	None
4	Other	643,676	49.12	None	Other	590,578	39.24	None	Other	61,763	23.73	None
	Net sales	1,310,405	100.00	-	Net sales	1,505,006	100.00	-	Net sales	260,301	100.00	-

Note 1: List the names of suppliers and the purchase amount and proportion of more than 10% of the total purchase in the latest two years, but because the contract does not disclose the name of the supplier or the transaction object is an individual and not a related party, it can be identified.

Note 2: As at the date of publication of the annual report, companies listed or whose shares have been traded on the premises of securities firms should disclose the most recent financial information that has been certified or audited by accountants.

Explanation of changes in purchase:

The change of the Company's main purchasing manufacturers is mainly due to the procurement policy of material preparation, the Cost Down of materials and parts and the training of main suppliers and other factors, so the reason for the change is reasonable.

3. Employee Statistics for the Most Recent 2 Fiscal Years up to the Annual Report Publication Date

% Unit: Person; Years; %

Year		2023	2024	As of April 30, 2025
Number of employees	Direct	54	57	56
	Indirect	77	79	78
	Total	131	136	134
Average age		39.42	43.08	42.80
Average service years		6.17	8.44	7.90
Education distribution ratio (%)	Doctor	0.76	1.47	1.49
	Master	6.11	5.15	5.22
	College and University	54.20	49.28	48.51
	High school	34.35	39.70	40.32
	Below high school	4.58	4.40	4.46

4. Disbursements for environmental protection

Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken: Not applicable.

5. Labor relations

(I) the Company's various employee welfare measures, further education, training and retirement systems and their implementation status, and the agreement between the staff and the measures to protect the rights and interests of employees

(1) Various staff welfare measures, further education and training measures:

A. Pension provision for workers

From the date of employment, the company shall pay 6% of the employee's monthly salary in accordance with the "Labor Pension Regulations" and deposit it in the Labor pension individual special account set up by the Labor Insurance Bureau.

B. Labor insurance and health insurance

From the date of employment, employees shall be required by law to participate in labor insurance and national health insurance, and enjoy the right to benefit from insurance in accordance with relevant laws and regulations.

C. Group insurance

In addition to labor health insurance, the company also insured the employer's liability insurance.

D. Three section bonus

Spring Festival, Dragon Boat Festival, Mid-Autumn Festival gift to reward employees hard work.

E. Annual health check-ups

Employees do not forget to pay attention to their health after work, and the company regularly holds health checks for employees every two years.

F. Staff refresher and training

In order to improve the technical and management ability necessary for employees to perform various duties, and stimulate their potential, the department head shall specify the internship procedures and training methods for new employees according to their expertise and work needs, and assign staff to be responsible for guidance; Other colleagues can apply according to their own job needs. Canadian domestic training? Educational training organized by the unit or external professional organizations.

G. Nursing room facilities

To support employees in balancing childcare and work responsibilities, the Company has established a nursing room within the factory premises, providing a safe and convenient environment for breastfeeding and infant care.

H. Promoting employee skills development training

By utilizing subsidy programs for talent development offered by the Ministry of Labor, the Company continuously organizes both internal and external training courses to enhance employees' professional skills and organizational competitiveness.

I. Improving employee welfare facilities and catering services

- a. Introduced smart coffee machines with partial company subsidies, offering employees discounted prices for usage.
- b. Arranged for a mobile retail vehicle to visit the factory premises weekly, providing products at discount prices to facilitate employees' daily shopping needs.

(2) Retirement system and its implementation:

Employee pension payment criteria are as follows:

- A. The number of years of service before the application of the labor standards Act, the pension will be calculated according to the provisions of the "Measures for the employment and dismissal of Factory and mine workers".
- B. If you choose to continue to apply the "Labor Standards Act" to apply the pension provisions under the old system under the Labor Pension Regulations or retain the years of service before the application of the Labor pension Regulations, your pension will be paid in accordance with the following provisions:
 - a. Two bases shall be given for each full year of service, but one base shall be given for each full year of service for more than 15 years, the maximum total number shall be limited to 45 bases, half a year if less than half a year, and one year if more than half a year.
 - b. A person who has been forced to retire in accordance with the provisions of paragraph 2 of the preceding article and whose mental invalidity or physical and mental disability is caused by the performance of his duties shall be given an additional 20% pension in accordance with the provisions of the preceding paragraph.
 - c. The pension claim is calculated on the basis of the average salary of the six months preceding the month of approved retirement.
- C. For employees who are subject to the provisions of the "Labor Pension Ordinance Pension" (new system of labor retirement), the Company shall contribute 6% (not less than 6%) of their work to the employee's personal pension account on a monthly basis. If the applicant has reached the age of 60, he or she can claim the claim regardless of whether he or she has retired. If the applicant dies before the age of 60, he or she can claim the claim by the surviving family or designated claimant.

- D. The retired person shall give notice before 30 days, and fill in the retirement application form and submit it to the general manager for approval.
- E. Pension Payment: The Company shall pay the employee the pension provided for under the Labor Standard Act within 30 days of the employee's retirement.

(3) The agreement between labor and management and various measures to protect employees' rights and interests:

The Company's industrial relations are harmonious and there have been no industrial disputes. As the Company always attaches importance to two-way communication between employees and employees to maintain good industrial relations, there have been no major industrial disputes so far.

(II) Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

(1) Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to labor disputes: None.

(2) Estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken:

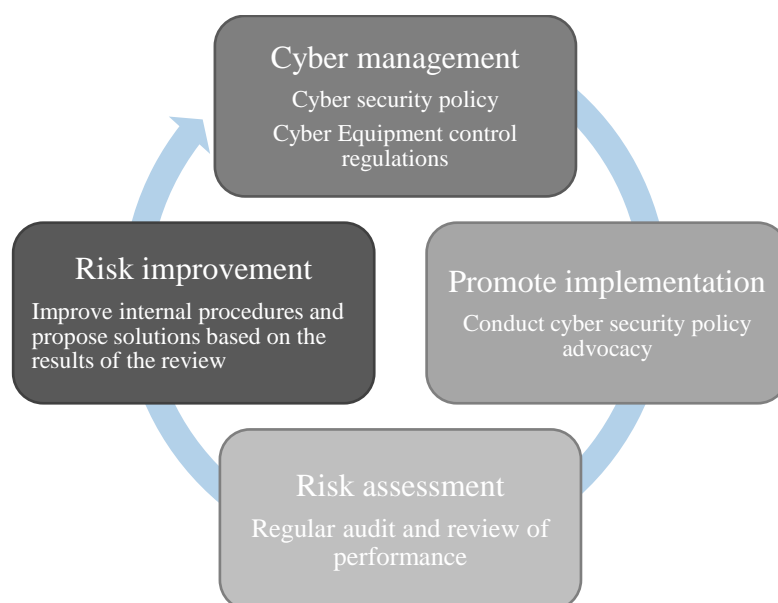
Since its establishment, the Company has adhered to the integrity and responsible attitude, committed to the well-being of employees, and both employers and employees have worked tirelessly for the growth of the company, making the company's performance gradually improved, so the relationship between employers and employees has always been harmonious, and it is expected that there should be no labor disputes in the future.

6. Cyber security management

(1) The Company's cyber security risk management framework, cyber security policies, concrete management programs and investments in resources for cyber security management:

1. Cyber security risk management framework:

The Management Office's IT team is responsible for coordinating cyber security and related matters, formulating relevant management procedures for internal control, and conducting regular internal cyber security checks.



2. Cyber security policies:
 - (1) Purpose: In order to maintain overall cyber security, the Company strengthens the security management of each cyber asset to ensure its confidentiality, integrity, usability, and legal compliance to meet the business operation needs and to protect the sustainability of the Company's and customers' interests.
 - (2) Scope: The policies apply to all the Company's cyber assets and the users of such cyber assets.
 - (3) Objective: To protect cyber assets from improper use, leakage, alteration, theft, destruction, and other threats, and to minimize the extent of damage that may affect and jeopardize the Company's business operations.
3. Concrete management programs:

The Company implements multiple cyber security enhancement measures, covering the following areas:

 - (1) Strengthening Network Security Management

Firewalls are deployed with connection rules configured to segment and protect networks, blocking unauthorized hacker intrusions.
 - (2) Computer Equipment Security Management
 - A. All application servers and related equipment are housed in dedicated server rooms.
 - B. Server rooms are equipped with independent air conditioning to maintain optimal operating temperatures for computer equipment. Fire extinguishers suitable for both general and electrical fires are also installed.
 - C. Uninterruptible Power Supply (UPS) systems are installed to prevent sudden power outages from causing system crashes, ensuring critical systems can shut down safely within a limited time during temporary power failures.
 - (3) Virus Protection and Management
 - A. Antivirus software is installed with automatic virus definition updates to minimize infection risks.
 - B. A spam email filtering system is implemented to block junk, virus, and phishing emails from reaching users' computers, along with an email archiving mechanism.
 - C. Windows systems are updated monthly.
 - (4) Data Access Control
 - A. User access rights are tiered based on roles.
 - B. Computer equipment is assigned to designated personnel and secured with login credentials.
 - C. Password policies enforce appropriate complexity requirements.
 - D. Before decommissioning equipment, hard drive data is wiped. If hard drives are no longer needed, they are physically destroyed.
 - (5) Contingency and Recovery Mechanisms
 - A. Backup systems perform daily data backups, with monthly copies stored offsite at a bank.
 - B. Annual system recovery drills ensure backup data integrity.
 - (6) Enhancing Employee Security Awareness

Quarterly email campaigns reinforce information security policies among staff.
4. Investments in resources for cyber security management:

The Company continues to invest in software and hardware related to cyber security protection frameworks.

- (2) List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

7. Important Contracts

Nature of contract	Party	Date of the contract	Main content	Restriction clause
Financial contracts	Yushan Bank	02/26/2021~02/26/2036	Long-term secured loans	Land guarantee

V. Review and analysis of financial position and financial performance and risk management

1. Financial position:

(1) Financial position (consolidation)

Unit: NT\$ thousand

Item \ Year	2023	2024	Difference	
			Amount	%
Current assets	2,333,567	2,671,116	337,549	14.46
Real estate, plant and equipment	592,931	582,730	-10,201	-1.72
Intangible assets	1,977	3,384	1,407	71.17
Other assets	37,859	58,714	20,855	55.09
Total assets	2,966,334	3,315,944	349,610	11.79
Current liabilities	1,736,975	1,911,543	174,568	10.05
Non-current liabilities	139,523	107,512	-32,011	-22.94
Total liabilities	1,876,498	2,019,055	142,557	7.60
Capital stock	247,118	268,842	21,724	8.79
Capital reserve	310,736	394,221	83,485	27.16
Retained earnings	537,635	635,480	97,845	2.93
Other rights and interests	-5,653	-1,654	3,999	70.74
Total equity	1,089,836	1,296,889	207,053	19.00
<p>1. The main reasons for the change of more than 20% before and after the change, and the change amount is more than 10 million yuan are explained as follows:</p> <ol style="list-style-type: none"> 1. The increase of approximately NT\$20,855 thousand in 2024 compared to 2023 was mainly due to the additional incremental cost of contracts acquired during the year - non-current. 2. Non-current liabilities: The decrease of NT\$32,011 thousand in 2024 compared to 2023 was mainly due to the decrease in long-term loans. 3. Capital reserve: The increase of NT\$83,485 thousand in 2024 compared to 2023 was mainly due to the conversion premium of corporate bonds <p>2. Future response plans of major influencers:</p> <p>The above changes have no material adverse effect on the Company, and there are no material anomalies in the overall performance of the Company, and there should be no need to draw up a response plan.</p>				

(2) Financial position (individual)

Unit: NT\$ thousand

Item \ Year	2023	2024	Difference	
			Amount	%
Current assets	1,904,696	2,019,640	114,944	6.03
Real estate, plant and equipment	591,494	581,265	-10,229	-1.73
Intangible assets	1,940	3,251	1,311	67.58
Other assets	140,086	165,367	25,281	18.05
Total assets	2,638,216	2,769,523	131,307	4.98
Current liabilities	1,409,591	1,365,122	-44,469	-3.15
Non-current liabilities	138,789	107,512	-31,277	-22.54
Total liabilities	1,548,380	1,472,634	-75,746	-4.89
Capital stock	247,118	268,842	21,724	8.79
Capital reserve	310,736	394,221	83,485	26.87
Retained earnings	537,635	635,480	97,845	18.20
Other rights and interests	-5,653	-1,654	3,999	70.74
Total equity	1,089,836	1,296,889	207,053	19.00

1. The main reasons for the change of more than 20% before and after the change, and the change amount is more than 10 million yuan are explained as follows:

1. Non-current liabilities: The decrease of NT\$31,277 thousand in 2024 compared to 2023 was mainly due to the decrease in long-term loans.
2. Capital reserve: The increase of NT\$83,485 thousand in 2024 compared to 2023 was mainly due to the conversion of convertible bonds to adjust capital reserve.

2. Future response plans of major influencers:

The above changes have no material adverse effect on the Company, and there are no material anomalies in the overall performance of the Company, and there should be no need to draw up a response plan.

2. Financial Performance:

(1) Analysis and Comparison of Operating Results (consolidation)

Unit: NT\$ thousand

Item \ Year	2023	2024	Difference	
			Amount	%
Operating income	1,310,405	1,505,006	194,601	14.85
Operating cost	1,096,031	1,217,943	121,912	11.12
Operating margin	214,374	287,063	72,689	33.91
Operating profit	96,709	137,849	41,140	42.54
Non-operating income and expenses	40,266	46,537	6,271	15.57
Net profit before tax	136,975	184,386	47,411	34.61
Net profit for the period	110,353	149,814	39,461	35.76

- The main reasons for the change of more than 20% before and after the change, and the change amount is more than 10 million yuan are explained as follows:
 - Operating profit: The increase in operating profit in 2024 compared to 2023 was due to the increase in revenue in 2024, as well as higher operating profit from projects in 2024 compared to 2023.
 - Operating profit: The increase in operating profit in 2024 compared to 2023 was due to the increase in revenue in 2024, the decrease in operating profit due to the smaller increase in costs and expenses in 2024 compared to 2023, and the decrease in non-operating income compared to 2023.
 - Net profit before tax: The increase in net profit before tax in 2024 compared to 2023, was due to the increase in operating income and non-operating income and expenses in 2024, which resulted in an increase in net profit before tax.
 - Net profit for the period: The increase in net profit for 2024 compared to 2023, was due to the increase in operating income and non-operating income and expenses in 2024, which resulted in an increase in net profit before tax.
- The expected sales volume and its basis, the possible impact on the Company's future financial business and the corresponding plan:
Not applicable as the Company has not announced financial forecasts.

(2) Analysis and Comparison of Operating Results (Individual)

Unit: NT\$ thousand

Item \ Year	2023	2024	Difference	
			Amount	%
Operating income	1,050,957	1,143,416	92,459	8.80
Operating cost	864,501	886,707	22,206	2.57
Operating margin	186,456	256,709	70,253	37.68
Operating profit	81,411	135,262	53,851	66.15
Non-operating income and expenses	53,336	47,491	-5,845	-10.96
Net profit before tax	134,747	182,753	48,006	35.63
Net profit for the period	110,353	149,814	39,461	35.76

- The main reasons for the change of more than 20% before and after the change, and the change amount is more than 10 million yuan are explained as follows:
 - Operating profit: The increase in operating profit in 2024 compared to 2023 was due to the increase in revenue in 2024, as well as higher operating profit from projects in 2024 compared to 2023.
 - Operating profit: The increase in operating profit in 2024 compared to 2023 was due to the increase in operating profit in 2024, which affected the operating profit.
 - Net profit before tax: The decrease in operating income due to the decrease in operating revenues and the decrease in non-operating income resulted in the decrease in net profit before tax compared to 2023, while the increase in net profit before tax was due to the increase in operating profit in 2024, which further affected the net profit before tax.
 - Net profit for the period: The difference from the previous year's net profit was due to the same reasons as the increase in net profit for 2024 compared to 2023, which was affected by the increase in operating profit for 2024.
- The expected sales volume and its basis, the possible impact on the Company's future financial business and the corresponding plan:
Not applicable as the Company has not announced financial forecasts.

3. Cash flow:

(1) Analysis of recent annual cash flow changes

Unit: NT\$ thousand

Item	ear	2023	2024	Plus (minus)	
				Amount	Percent (%)
Business activity		36,286	489,865	453,579	1250.01
Investment activity		479,517	27,908	-451,609	-94.18
Financing activities		-452,641	-63,267	389,374	86.02
Analysis of cash flow changes:					
(1) Operating activities: mainly due to the increase in accounts receivable contract liabilities and decrease in accounts payable in 2024.					
(2) Investment activities: mainly due to the decrease in acquisition of financial assets measured at amortized cost and other financial assets in 2024.					
(3) Financing activities: mainly due to the decrease in short-term loans in 2024 compared to 2023.					

(2) Corrective measures to be taken in response to illiquidity: none.

(3) Cash liquidity analysis for the coming year (2025):

Unit: NT\$ thousand

Opening cash balance	expected net cash flow from operating activities for a full year	Net cash flows from investing and financing activities are expected for the full year	Amount of cash remaining (insufficient)	Remedy for cash deficiency	
				Investment activity	Financing activities
948,494	213,849	(134,818)	1,027,525	-	-
Analysis of cash flow changes in the coming year:					
1. (1) Operating activities: Mainly due to the expected cash inflow from operating receipts of Asia Metal and Ruiping in the coming year and deducting related operating expenses, the net cash inflow from operating activities for the year is expected to be NT\$213,849 thousand.					
(2) Investing and financing activities: Mainly due to net cash outflows of NT\$134,818 thousand resulting from capital expenditures for new and existing plants, purchases of machinery, equipment and intangible assets, repayment of borrowings, and payment of dividends.					
2. Corrective measures to be taken in response to illiquidity, and liquidity analysis for the coming year: The estimated cash balance at the end of the period was NT\$1,027,525 thousand, which was higher than the minimum level of NT\$120,000 thousand required by the Company, thus, there was no liquidity shortfall in cash.					

4. Impact of significant capital expenditures on financial operations in the most recent year:

Planned project	Actual or anticipated sources of funds	Actual or expected completion date	Total financial requirements	Use of funds
				2023
Construction of plant and acquisition of machinery	Raise and issue the first secured conversion corporate bonds and own funds or bank loans in the country	At the end of December 2023	NT\$326,900 thousand	The use of corporate bond funds has been implemented in the second quarter of 2023

5. Recent annual investment policy and the main reasons for profit or loss and its improvement plan and investment plan for the next year:

1. Policy of reinvestment

Based on operational needs and future development factors, the Company makes a detailed assessment of the organizational type, location, market conditions and other items of the investment business as the basis for investment decisions, and the executive department follows the internal control "investment cycle" and "Acquisition or disposal of assets processing procedures" to implement investment-related matters. In addition, the Company also keeps track of the operating status of the business in which it has invested to facilitate post-investment tracking and management.

2.The main reasons for the profit or loss of the reinvestment and its improvement plan
December 31, 2024
Unit: NT\$ thousand

Item/Description	Invest Amount	Policy	Recent 2024 annual investment (loss) gain	Main reason for profit or loss	Improvement plan
Celestial High Global Limited	47,716	As above 1.	4,320	Normal operation	Not Applicable
Kunshan Ruiping precision coating equipment Co., Ltd.	47,716	As above 1.	4,320	Normal operation	Not Applicable

3. Investment plan for the next year: None.

6. Risk matters should be analyzed and evaluated

(1) The impact of interest rate, exchange rate changes, inflation on the company's profit and loss and future response measures:

(1) Impact of interest rate changes

Unit: NT\$ thousand

Annual Item	2023	2024
Operating income	1,310,405	1,505,006
Net profit before tax	136,975	184,386
Interest income	19,569	12,689
Ratio of interest income to net revenue (%)	1.49	0.84
Ratio of interest income to net income before tax (%)	14.29	6.88
Interest expense	5,119	2,615
Interest expense as a percentage of net revenue (%)	0.39	0.17
Ratio of interest expense to net income before tax (%)	3.74	1.42

Source: Accountant Audited Financial Report"

The interest income of the Company and its subsidiaries in 2023 and 2024 is NT\$19,569 thousand and NT\$12,689 thousand respectively. The Company's capital planning is conservative and prudent, mainly the interest income of bank deposits, and the company's interest income is greater than the interest expense, so the overall business of the company is not affected.

In addition, the Company's supervisors and related personnel keep an eye on interest rate changes and take appropriate measures to reduce the impact of interest rate changes on the Company's profit and loss.

(2) The impact of exchange rate changes

Unit: NT\$ thousand

Annual Item	2023	2024
Operating income	1,310,405	1,505,006
Net profit before tax	136,975	184,386
Exchange (loss) gain	24,397	32,212
Ratio of exchange (loss) gain to net revenue (%)	1.86	2.14
Ratio of exchange (loss) to pre-tax net profit (%)	17.81	17.47

Source: Accountant Audited Financial Report"

The exchange profit (loss) of the Company and its subsidiaries for 2023 and 2024 was NT\$24,397 thousand and NT\$32,212 thousand, respectively, representing 1.86% and 2.14% of the net operating income, respectively. The export orders of the Company and its subsidiaries account for a significant proportion of the total orders, so the exchange rate has an impact on the Company's revenue and profit. However, as the Company continues to undertake export orders and the main foreign currencies on the company's books are high-interest currencies, the exchange rate risk has little impact on the Company in the long run through depository and natural hedging methods. In order to effectively cope with exchange rate fluctuations, in addition to actively collecting information on exchange rate changes, In order to monitor and anticipate future trends, the Company has also adopted the following measures to mitigate the impact of exchange rate fluctuations on revenue and earnings:

- A. The financial unit regularly provides market exchange rate information for the business unit to reflect the exchange rate impact at any time during the quotation stage to maintain the company's profit. Business units in the negotiation of the price, taking into account the exchange rate changes to establish the appropriate price, and then based on the exchange rate on the date of signing.
- B. The financial department maintains a close relationship with financial institutions and fully grasps international exchange rate trends and changes. Active adjustment of foreign currency position, timely adjustment of foreign currency assets, and strengthen the collection of foreign currency accounts receivable.
- C. In response to international exchange rate fluctuations and the associated risks of holding foreign currency accounts receivable, the company plans to utilize hedging derivative financial instruments. These transactions will be conducted in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" and the Company's "Derivative Financial Instruments Trading Management Policy" to ensure proper risk management.

(3) The impact of inflation

The profit and loss of the Company has not been significantly affected by inflation in the past, and the impact of inflation on the profit and loss of the company is still limited, and the company adopts the production mode of orders, and has considered the price fluctuations of raw materials before orders, and then by long-term cooperation with suppliers and the establishment of good relations, the company is enough to ensure the stability of raw materials prices and reduce the pressure of inflation.

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

(1) Implementation of high-risk and highly leveraged investments and future response measures:

The Company is mainly engaged in the design, manufacturing, processing and sales of various metal machinery and parts, and has always been a sound business principle, financially sound and does not engage in high-risk and highly leveraged investments.

(2) The status of the loan of funds to others and future countermeasures:

As of the date of publication of the annual report, the Company has not engaged in any loan of funds to others. If there is any loan of funds to others in the future, it shall follow the "Management Procedures

of Fund Loans to Others" prescribed by the Company.

(3) The status of the endorsement guarantee and future countermeasures:

As of the date of publication of the annual report, the Company passed the board of directors on March 24, 2021, to guarantee the financing of the company's subsidiary Ruiping Company, but as of the date of publication of the annual report, no actual guarantee situation has occurred, and it is understood that in accordance with the "endorsement guarantee management procedures" set by the Company.

(4) The status of derivatives trading and response measures to be taken in the future

As of the date of the publication of this annual report, the company engaged in derivative transactions during the first quarter of 2025 and completed the transactions in April 2025. The execution status has been reported to the Board of Directors in accordance with relevant regulations and disclosed on the Market Observation Post System (MOPS) for public investor reference.

(3) Future R&D plans and estimated R&D costs:

The Company is continuously investing in the improvement of existing equipment performance and equipment innovation, including the FR4 Treater (impregnation machine) production substrate specifications, which comply with cleanroom production standards, upgraded to Class 1000; MLCC (ceramic slurry coating) shifting from SLOT DIE mode to TENSION DIE mode, entering the high-speed production phase for ultra-thin specifications (1u); MLCC (ceramic slurry coating) modifying the adhesive supply method, entering the ultra-thin specification production phase; PTFE Treater (Teflon impregnation machine) improving the adhesive application method and fixing mechanism design; and the development of nano-optical coating equipment, developing RCC (resin-coated copper foil) using SLOT DIE coating technology to uniformly apply resin (such as epoxy or polyimide) onto copper foil. The expected future R&D expenditures will be allocated gradually according to the progress of new product development and new technology R&D operations by the R&D department.

(4) Important policies and laws at home and abroad? The impact of the changes on the company's financial business and corresponding measures:

The company operates in accordance with the relevant laws and regulations at home and abroad, and always pays attention to the development of domestic and foreign policies and regulatory trends. Professional staff are regularly assigned to receive relevant training courses in order to promptly respond to changes in domestic and international political and economic situations. Changes in the company's financial business? Make a big difference.

(5) Effect on the company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response:

The Company is committed to the research and development of advanced technology innovation, grasp the market trends, evaluate their impact on the company's operations, and invest a considerable amount of research and development funds and manpower. In order to engage in the development of new products, and constantly improve the technical threshold, so that the operation side and the development side can master the trend of industrial and technological changes.

(6) The change of corporate image to the enterprise crisis management? The impact and countermeasures of:

The company adheres to the principle of integrity management? Since its establishment, there has not been a crisis in the operation of the company caused by the change of corporate image. Will continue the company's enterprise spirit of sound management, and timely consultation with relevant financial and legal experts, in order to The occurrence of such risks and the impact on financial operations are low, so there has not been such a crisis.

(7) Expected benefits, possible risks and countermeasures of M&A:

The Company has no plans to acquire other companies for the most recent year and as at the date of publication of the annual Report.

(8) Expected benefits, possible risks and countermeasures of plant expansion:

In order to cope with the continuous growth of customer orders and in line with government policies, Taoyuan Municipal Government has approved and accepted the case of "Application for industrial operators to use the adjacent non-urban land expansion plan and land disposal plan for specific agricultural areas", which will help the company strengthen the ability to receive orders, improve production capacity, and reduce management and production costs. And expand the scale of operations and enhance the overall

competitiveness, which brings limited risks.

(9) Where purchases or sales are concentrated? Risks and countermeasures of:

(1) Sales:

The Company maintains a good relationship with its customers, who are long-term current customers. In the most recent year and up to the date of publication of the annual report, the proportion of sales of a single customer has not exceeded 20% of net sales for two consecutive years. The Company has a broad customer base and continues to actively develop new customers, so there is no risk of sales concentration.

(2) Purchase:

In the most recent year and up to the date of publication of the annual Report, no single supplier accounted for more than 20% of the Company's net purchases. The company in the market purchase parts and processing parts procurement to maintain more than two suppliers supply, and maintain long-term cooperation with the suppliers between the supply source is stable, there is no shortage of supply to affect the production of the situation, and continue to actively cultivate domestic third-party suppliers supply, in order to achieve the risk of diversification, reduce costs of the enterprise goal, to ensure that production capacity supply is safe.

(10) The impact on the Company of a large number of transfers or changes of the shares of directors, supervisors or major shareholders holding more than 10% of the shares, risks and countermeasures: The Company has not had such incidents in the most recent year and up to the date of publication of the annual report.

(11) The impact, risks and countermeasures of the change of management rights on the Company: The Company has not had such incidents in the most recent year and up to the date of publication of the annual report.

(12) Litigation or non-litigation matters, shall list the company and the company's directors, supervisors, general manager, substantive person in charge, major shareholders holding more than 10% of the shares and subsidiary companies have been determined or are still in the system of major litigation, non-litigation or administrative disputes, the outcome of which may have a material impact on shareholders' rights or securities prices, It shall disclose the facts of the dispute, the amount of the subject matter, the date of commencement of the action, the main parties involved and the circumstances of the treatment up to the date of publication of the annual report: no such circumstances.

(13) Other important risks and countermeasures: None.

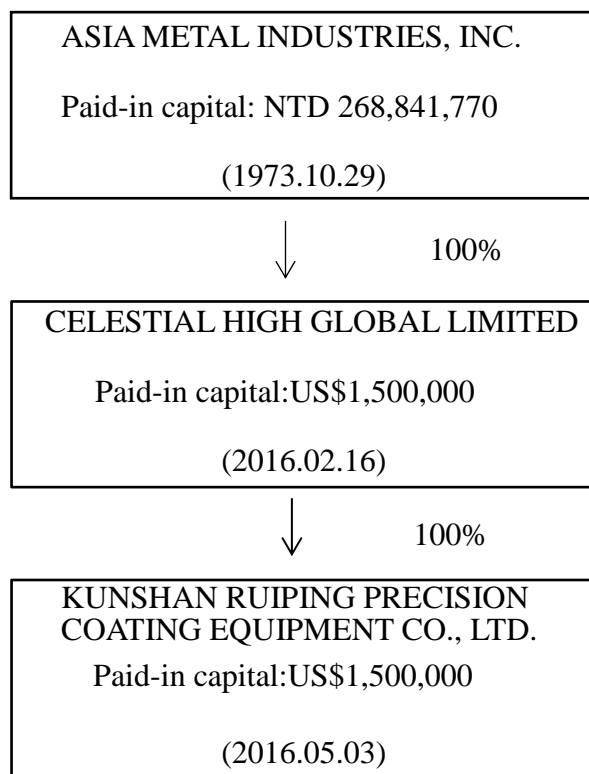
7. Other Important Matters: None.

VI. Other Important Matters

I. Relevant information of related enterprises

(1) Overview of affiliated enterprises

1. Organization chart of relational enterprises



2. Overview of the reinvestment business

March 31, 2025; Unit: Thousands of shares, NT\$ thousand

Reinvestment	Principal business	Investment cost	Book value	Investment share		Net equity value	Market price	Accounting treatment method	Most recent annual return on investment		Number of shares held in the company
				Shares	Shareholding ratio				Investment gain or loss	Distribute dividends	
Celestial High Global Limited	Investment holding	47,716	137,724	Note 1	100%	137,724	-	Equity method	14,348	-	-
Kunshan Ruiping Precision Coating Equipment Co., Ltd. (Note 2)	Equipment installation and sale industry	47,716	137,724	Note 1	100%	137,724	-	Equity method	14,348	-	-

Note 1: Celestial High Global Limited and Kunshan Ruiping Precision Coating Equipment Co., Ltd. are the organization of the "Limited Company", so there is no denomination and number of shares.

Note 2: The Company's investment structure is to indirectly invest in Kunshan Ruiping Precision Coating Equipment Co., Ltd., a 100% owned subsidiary of the Mainland, through Celestial High Global Limited, which is 100% owned.

3. Comprehensive shareholding ratio

March 31, 2025 Unit: thousand shares; %

Reinvestment	Investment by the company		Directors, supervisors, managers and direct or indirect control of investments in undertakings		Comprehensive investment	
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio
Celestial High Global Limited (Note)	-	100	-	-	-	100
Kunshan Ruiping Precision Coating Equipment Co., Ltd. (Note)	-	100	-	-	-	100

Note: Limited company type, so no number of shares.

4. Consolidated financial statements of affiliates:

For the fiscal year 2024 (from January 1 to December 31, 2024), the companies required to be included in the preparation of the consolidated financial statements of affiliated enterprises under the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" are the same as those required to be included in the parent-subsidiary consolidated financial statements under IFRS 10 (International Financial Reporting Standard 10). Furthermore, all relevant information required to be disclosed in the consolidated financial statements of affiliated enterprises has already been disclosed in the aforementioned parent-subsidiary consolidated financial statements. Therefore, separate consolidated financial statements for affiliated enterprises are not prepared.

5. Reports on Affiliations: Not Applicable.

II. Where the company has carried out a private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, disclose the date on which the placement was approved by the board of directors or by a shareholders meeting, the amount thus approved, the basis for and reasonableness of the pricing, the manner in which the specified persons were selected, the reasons why the private placement method was necessary, the targets of the private placement, their qualifications, subscription amounts, subscription price, relationship with the company, participation in the operations of the company, actual subscription (or conversion) price, the difference between the actual subscription (or conversion) price and the reference price, the effect of the private placement on shareholders' equity, and, for the period from receipt of payment in full to the completion of the related capital allocation plan, the status of use of the capital raised through the private placement of securities, the implementation progress of the plan, and the realization of the benefits of the plan: None.

III. Other matters that require additional description: None.

VII. If any of the situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, has occurred during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.