



2024 ANNUAL REPORT

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-Notice to readers-

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

TOPCO Spokesperson

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Title: Sr. Deputy General Manager

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Tel: (02) 8797-8020

TOPCO Deputy Spokesperson

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Title: CEO / CFO

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Corporate Headquarters and Branches:

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Tel: (02) 8797-8020

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Tel: (04) 3503-5342

●Kaohsiung Office: 3F-10, No.12, Fuxing 4th Rd., Qianzhen Dist., Kaohsiung City, Taiwan
Tel: (07) 537-7626

Common Share Transfer Agent

Company: Grand Fortune Securities Corporation Registrar Transfer Department.

Address: 6F., No.6, Sec. 1, Zhongxiao W. Rd., Zhongzheng Dist., Taipei City 100, Taiwan

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

Tel: (02) 2371-1658

Certified Public Accountant (CPA) and accounting firm for the financial statements of the most recent year:

CPA: Kuo, Kuan Ying & Huang, Keng Chia

Company: KPMG Certificated Public Accountants

Address: 68F, No.7, Sec.5, Xinyi Rd., Taipei (TAIPEI 101Tower) Website:

www.kpmg.com/tw Tel: (02) 8101-6666

Offshore secondary exchange and disclosure information available at: None

Company website : <http://www.topco-global.com>

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Chapter 1 Letter to Shareholders

Dear Shareholders,

We would like to thank all shareholders for your continued support over the past year. With the efforts of the management team and the employees of the Group, the Company delivered outstanding results in various business areas in 2024.

1. Business performance in 2024:

Topco's 2024 consolidated revenue and profit reached the highest record ever. The revenue reached NT\$56.997 billion, the net profit after tax was NT\$3.665 billion, and the after-tax earnings per share was NT\$19.29.

In the high-tech field, due to the rapid development of AI and the influence of geopolitics, the demand from domestic and foreign customers has increased, and the demand for advanced semiconductor process materials such as photoresist, silicon wafer, quartz, and chemicals is large. The performance of advanced packaging and new products continues to grow; in addition, the Company continues to expand the scope of operations, and overseas subsidiaries such as the U.S.A., Vietnam, and SAS, Japan also performed outstandingly.

In terms of environmental protection and green energy, in addition to continuing to receive overseas construction orders, the Company has also achieved outstanding results in a number of other large-scale wastewater treatment, air conditioning electromechanical operations, and renewable energy businesses. In terms of people's livelihood, Anyo Museum in Suao has been certified by the Ministry of Environment as an "Environmental Education Facility" to promote food-wise and environmental awareness through experiential methods; in addition, campaign resources are used to give back to the community and promote exercises for citizens, organize health seminars and health examinations, create community-based integrated health care, happy life venues, and promote public sports.

In 2024, Topco was honored with the Bronze Award at the APSAA Asia-Pacific Sustainability Action Awards for its performance in "Assisting Green Manufacturing Transformation." The Company also obtained a B rating in the CDP climate assessment, ranked 10th in the Large Enterprise Service Industry category of the *CommonWealth* Excellence in Corporate Social Responsibility, and secured 2nd place in the *CommonWealth* Talent Sustainability Award. Additionally, Topco was recognized with the TCSA Award and the Silver Award at the TSAA Taiwan Sustainability Action Awards. In the future, the Company will continue to deepen its commitment to sustainable operation, and actively promote sustainable development goals in the three major dimensions of environment, society, and governance (ESG) to realize long-term corporate responsibility and value.

2. Summary of 2025 business plan:

Looking forward to 2025, driven by AI applications, emerging applications such as electric vehicles and 6G, the demand for advanced semiconductor processes will remain strong, which will drive related demands for silicon wafers, photoresist, packaging materials, etc., and the revenue is expected to continue to grow. Continue to evaluate and introduce new products and establish value-added technologies and services, including machine equipment overhaul and factory construction consulting services.

In response to the decentralization of the global supply chain, the operating bases in the United States and Japan have become increasingly important to respond to customer needs nearby; in response to the development of the semiconductor industry in Europe and India, the Company also plans to set up bases to provide semiconductor supply chain solutions.

In terms of environmental protection and green energy, in response to the continuous expansion and upgrading of AI computing data centers, and in pursuit of low power usage to address energy consumption issues, the company integrates its subsidiaries to provide data center mechanical and electrical air conditioning engineering, solar power station construction, green electricity sales services, and assists corporate clients in environmental assessment and monitoring, as well

as carbon consulting services, creating solutions that promote environmentally friendly and positive development.

In the field of people's daily life, we use innovative marketing methods to expand domestic and overseas markets, create "Anyong Freshmart" high-quality products and professional sports training brand XSPORTS, integrating the group's resources, and building a comprehensive health business with scientific and technological mindsets.

3. Future development strategies of the Company:

In the future, Topco will follow the operation model of large Japanese general trading companies for internationalization and diversified development. The main strategies are as follows:

- (1) With the semiconductor industry as the core, expand outwards, carry out global layout and develop and promote new products.
- (2) Strengthen the development of new technologies and develop own products, integrate resources, and establish a business model for equipment and automation systems.
- (3) Accelerate growth through M&A, and accelerate the development of AI and ESG related business through M&A.
- (4) Promoting the IPO of the subsidiary.
- (5) Adjustment and optimization of the organization, talents and information systems, including the Group's ERP iteration project, and the introduction of AI application technology to improve work efficiency.

4. Impacts from the external competitive environment, regulatory environment and overall business environment:

In 2024, although the Company will be adversely impacted by the ongoing restructuring of the global supply chain and the ongoing wars in the Middle East and Europe; the US-China tech rivalry will intensify after the new U.S. administration took office, and geopolitical conflicts still linger, the AI application continues to grow rapidly under the leadership, the demand for semiconductor advanced process materials is still large.

As a leader in the all-round integration solution for the semiconductor supply chain, Topco is able to fully grasp the upstream and downstream pulse of the industry, and has abundant experience and sufficient information to respond to changes in the industry. Comprehensive service solutions to satisfy customers' expectations for quality products and services. In addition, AI application technology will be introduced to assist in the integration of high-tech, environmental protection, green energy, and comprehensive health businesses, thereby improving efficiency and reducing costs.


Topco has introduced the "Sustainable Development Declaration," "Human Rights Guidelines," and "Supplier Self-Assessment Questionnaire," jointly committing with suppliers to integrate the concept of corporate sustainable development into daily supply chain management. In response to the talent gap, the Company will adopt diversified talent recruitment and training methods, take care of employees, feedback to shareholders, implement corporate governance, fulfill corporate social responsibility, and pursue sustainable development of the Company.

We would like to take this opportunity to express my deep gratitude to all shareholders and wish all of you good health and success in all your endeavors.

Topco Scientific Co., Ltd.



Jeffery Pan
Chairman



Simon Tseng / Charles Lee
President



Nicole Lee
Chief Accounting Officer

Chapter 2 Corporate Governance Report

I. Documents of directors, supervisors, president, vice presidents, associate vice presidents, and managers of each departments and Div.s :

(I) Directors and Supervisors information :

May 2, 2025

Title	Nationality or Place of Registration	Name	Gender/ Age	Date Elected (Date First Elected)	Term (Years)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Experience (Education)	Positions concurrently Held in other companies
						Shares	%	Shares	%	Shares	%		
Chairman	R.O.C.	Jeffery Pan	Male 61-70 years old	2023.5.30 (1990.2.17)	3	1,500,817	0.83	853,181	0.45	0	0	Master of Business Administration, National Chengchi University	Chairman, Topco Scientific Co.,Ltd. Chairman, Topscience(S) Pte Ltd., & Topscience Vietnam Co.,Ltd.
Director	R.O.C.	Simon Tseng	Male 61-70 years old	2023.5.30 (1997.9.5)	3	1,029,950	0.57	1,068,709	0.56	0	0	Master of Business Administration, National Taipei University	Managing Director of Topco Group, Chairman, Topco Scientific (Shanghai) Co.,Ltd., Suzhou Topco Construction Ltd., Shanghai Chong Yao Trading Co., Ltd., Hong Kong Topco Trading Ltd., Topco Chemical (Z.F.T.Z.) Co., Ltd., Anyong Freshmart, Inc., & Asia Holding.
Director	R.O.C.	Charles Lee	Male 61-70 years old	2023.5.30 (1997.9.5)	3	593,948	0.33	604,555	0.32	0	0	Master of Business Administration, China Europe International Business School	Managing Director of Topco Group. Chairman, Topco International Investment Co.,Ltd., & Topchip Electronic Co. Ltd.
Director	R.O.C.	Jia Pin Investment Development Company Limited representative: Joyce Lu	Female 51-60 years old	2023.5.30 (2014.6.24)	3	6,979,382 87,504	3.84 0.05	7,181,043 102,032	3.76 0.05	0 0	0	Master of Business Administration, National Taipei University Department of Accounting, National Chengchi University Audit assistant, KPMG Certificated Public Accountants	CEO/CFO, Topco Scientific Co., Ltd. Chairman, Topco Investment Co., Ltd., Topco Group & Asia Topco
Director	R.O.C.	Kuo, Kuan-Hung	Male 31-40 years old	2023.5.30 (2023.5.30)	3	1,291,206	0.71	1,455,513	0.76	0	0	Dept. of Economics, Syracuse University	Vice President of Chief Strategic Officer Office, Topco Scientific Co., Ltd.
Director	R.O.C.	Chang, Pei-Fen	Female 51-60 years old	2023.5.30 (2020.6.22)	3	1,198,963	0.66	1,233,605	0.65	0	0	Chungyu Institute	Chairman of Zhi Jia Investment Co.,Ltd.

Title	Nationality or Place of Registration	Name	Gender/ Age	Date Elected (Date First Elected)	Term (Years)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Experience (Education)	Positions concurrently Held in other companies
						Shares	%	Shares	%	Shares	%		
Independent director	R.O.C.	Sheu, Her-Jiun	Male 61-70 years old	2023.5.30 (2023.5.30)	3	0	0	0	0	0	0	Ph.D., Stern School of Business, New York University; Master of Business Administration, New York University; Deputy Mayor, Tainan City Government; President, National Chi-Nan University; Vice President, National Chiao Tung University.	Professor/Chair Professor, Dept. of Finance, Ming Chuan University
Independent director	R.O.C.	Hsin, Ta-Chih	Male 51-60 years old	2023.5.30 (2023.5.30)	3	0	0	0	0	0	0	Ph.D., East China University of Political Science and Law; Master of Business Administration, National Taipei University Senior Attorney, Lee and Li Law Firm; Senior Attorney, PwC Legal (Taiwan)	Managing Partner, Guo Ju Law Firm
Independent director	R.O.C.	Chen, Yu-Shan	Male 51-60 years old	2023.5.30 (2023.5.30)	3	0	0	0	0	0	0	Ph.D., Dept. of Business Administration, National Chengchi University; Master, Dept. of Business Administration, National Chengchi University	Dean, College of Business, National Taipei University; Reviewer of "Taiwan Corporate Sustainability Awards" (TCSA) and Reviewer-in-Chief on Social Dimension of TCSA Independent director of ABC Taiwan Electronics Corp.
Company shares held by directors in the names of other persons : None Any Executive, Director, or supervisor who is a spouse or relative within the second degree of kinship: None													

Note : Major Shareholder of Topco's Director that is an Institutional Shareholder

Director that is an Institutional Shareholder of Topco	Major Shareholder
Jia Pin Investment Development Company Limited	Kuo,Kuan-Hung(31.2%) 、 Kuo,Yu-Chun(30.8%) 、 Kuo,I-Hsuan(30.8%)

(II) Disclosure of information as professional qualifications and independent status of directors and independent directors

Qualification Name	Professional qualifications and experience	Independent status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chairman Jeffery Pan	Graduated from National Chengchi University with a master's degree in Business Administration, He is the chairman of the company, the Chairman of Topscience(S) Pte Ltd. & Topscience Vietnam Co.,Ltd. He dedicated to the semiconductor industry for over 30 years, with professional capabilities in marketing and operation management, leading the company to become a pioneer in the industry.	Not been a person of any conditions defined in Article 30 of the Company Law.	0
Director Simon Tseng	Graduated from National Taipei University with a master's degree in Business Administration, He is the Managing Director of Topco Group, the Chairman of Topco Scientific (Shanghai) Co.,Ltd., Suzhou Topco Construction Ltd., Shanghai Chong Yao Trading Co., Ltd., Hong Kong Topco Trading Ltd., Topco Chemical (Z.F.T.Z.) Co., Ltd., Anyong Freshmart, Inc., & Asia Holding. He has professional capabilities in operational decisions and management to deepen the Chinese market.	Not been a person of any conditions defined in Article 30 of the Company Law.	0
Director Charles Lee	Graduated from China Europe International Business School with a master's degree in Business Administration, He is the Managing Director of Topco Group, the Chairman of Topco International Investment Co.,Ltd. & Topchip Electronic Co. Ltd. He has professional capabilities in market strategy and business promotion for overseas business such as Southeast Asia, USA.	Not been a person of any conditions defined in Article 30 of the Company Law.	0
Director Jia Pin Investment Development Company Limited representative: Joyce Lu	Graduated from National Taipei University with a master's degree in Business Administration, She is the CEO/CFO of the company, the Chairman of Topco Investment Co., Ltd., Topco Group & Asia Topco. She has work experience in business, finance, accounting and corporate business.	Not been a person of any conditions defined in Article 30 of the Company Law.	0
Director Kuo, Kuan-Hung	Graduated from Dept. of Economics, Syracuse University, He is vice president of Chief Strategic Officer Office of the company. He has more than five years of work experience in business, finance and corporate business.	Not been a person of any conditions defined in Article 30 of the Company Law.	0
Director Chang, Pei-Fen	Graduated from Chungyu Institute, She is the Chairman of Zhi Jia Investment Co.,Ltd. She has more than five years of work experience in business, finance and corporate business.	Not been a person of any conditions defined in Article 30 of the Company Law.	0

Qualification Name	Professional qualifications and experience	Independent status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Independent director Sheu, Her-Jiun	Graduated from National Taipei University with a master's degree in Business Administration, He is the Attorney-in-charge of Linsen Law Firm, and has more than five years of work experience in business, finance and corporate business.	<p>The directors have been met the following independence criteria during the two years prior to being elected or during the term of the office.</p> <ol style="list-style-type: none"> 1. Not an employee of the company or any of its affiliates. 2. Not a director or supervisor of the company or any of its affiliates. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings. 4. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs. 5. Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. 	0
Independent director Hsin, Ta-Chih	Graduated from a PhD in Department of Business Administration, National Taipei University, She was a Professor of Tatung University in Business Management dept., She has more than five years of professional qualifications for professors in colleges and universities, and has more than five years of work experience required for business.	<ol style="list-style-type: none"> 6. If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. 7. If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another 	0

Qualification Name	Professional qualifications and experience	Independent status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Independent director Chen, Yu-Shan	Graduated from a PhD in National Taiwan University, He is a Professor in National Taiwan University of Science & Technology, He has more than five years of professional qualifications for professors in colleges and universities, and has more than five years of work experience required for business.	<p>company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.</p> <p>8. Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent, if the specified company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the public company.</p> <p>9. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.</p> <p>10. Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company.</p> <p>11. Not been a person of any conditions defined in Article 30 of the Company Law.</p> <p>12. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.</p>	1

(III) Board diversity and independence

1. Diversified board of directors

The Company has established “Corporate Governance Best Practice Principles”, the member diversity shall be taken into account for the composition of the board of directors, and appropriate diversification policy shall be formulated.

The members of the board of directors shall possess the necessary knowledge and skills, including finance, business, law, business management, etc., the professionalism of each member has been disclosed on the company's website.

The specific management objectives of the board diversity policy are as follows :

The Board of Directors must have at least one female director and one accounting or finance specialist. It is advisable that the number of the directors who concurrently serve as the managers of the Company should not exceed one-third of the board seats.

The independent directors shall not hold office for more than 3 terms.

The achievement status are 33.3% of the directors were employees, independent directors accounting for 33.3% of the composition, the proportion of female directors is 22.2%. The seniority of the three independent directors are two years respectively.

2. If the representation of any one gender on the board of directors of the company falls below one-third of the total, specify the cause and the measures adopted :

(1)Reason: The Company has established nine seats of directors in accordance with the Articles of Incorporation. The seats of directors were elected at the general shareholders' meeting on May 30, 2023, and two seats are held by female directors. It is not easy to find talent in related industries.

(2)Measures to be taken: Seek recommendation from multiple channels, such as industries or schools, before the re-election of the board of directors, in order to improve corporate governance effectiveness and implement the policy of board diversity.

Diversification item			Ability to make sound business judgments	Accounting and financial analysis capability	Ability to manage a business	Ability to respond to a crisis	Industry knowledge	An understanding of international markets	Leadership capability	Decision-making capability
Title	Name	Gender								
Chairman	Jeffery Pan	Male	✓	✓	✓	✓	✓	✓	✓	✓
Director	Simon Tseng	Male	✓		✓	✓	✓	✓	✓	✓
Director	Charles Lee	Male	✓		✓	✓	✓	✓	✓	✓
Director	Jia Pin Investment Development Company Limited representative: Joyce Lu	Female	✓	✓	✓	✓	✓	✓	✓	✓
Director	Kuo, Kuan-Hung	Male	✓		✓	✓	✓	✓	✓	✓
Director	Chang, Pei-Fen	Female	✓	✓	✓	✓		✓	✓	✓
Independent director	Sheu, Her-Jiun	Male	✓	✓	✓	✓		✓	✓	✓
Independent director	Hsin, Ta-Chih	Male	✓	✓	✓	✓		✓	✓	✓
Independent director	Chen, Yu-Shan	Male	✓	✓	✓	✓		✓	✓	✓

3. Board independence

The Company's board comprises of nine directors including three independent directors. The situation where all directors are not related to each other as spouses or relatives within the second degree of kinship, shall comply with the Article 26-3.3 and 26-3.4 of the Securities and Exchange Act.

(II) Documents of president, vice president, associate vice president, and managers of each department and Div. :

May 2, 2025

Title	Nationality	Name (Gender)	Date Effective	Shareholding		Spouse & Minor Shareholding		Experience (Education)	Positions concurrently Held in other companies
				Shares	%	Shares	%		
Group Vice Chairman	R.O.C.	Robert Lai (Male)	2020.6.22	9,000	0.00	30,577	0.02	Ph.D., Department of Business Administration, National Taipei University Master of Business Administration, Indiana University of Pennsylvania. U.S.A. Chairman, Topco Scientific Co., Ltd. and CSBC Corporation, Taiwan; Director General, Small & Medium Enterprise Administration, Ministry of Economic Affairs; Deputy Director General, Department of Commerce, Ministry of Economic Affairs	Chairman, Eco Technical Services Co., Ltd., Unitech New Energy Engineering Co., Ltd., Yun Yueh Technical Co., Ltd. & Yao Yue Energy Co., Ltd. Independent Director, Yi Jinn Industrial Co., Ltd.; PhytoHealth Co., Ltd.; Metaage Corporation.
President / Group Managing Director	R.O.C.	Simon Tseng (Male)	2024.3.1	1,068,709	0.56	0	0	Master of Business Administration, National Taipei University	Chairman, Topco Scientific (Shanghai) Co., Ltd., Suzhou Topco Construction Ltd., Shanghai Chong Yao Trading Co., Ltd., Hong Kong Topco Trading Ltd., Topco Chemical (Z.F.T.Z.) Co., Ltd., Anyong Freshmart, Inc., & Asia Holding.
President / Group Managing Director	R.O.C.	Charles Lee (Male)	2024.3.1	604,555	0.32	0	0	Master of Business Administration, China Europe International Business School	Chairman, Topco International Investment Co., Ltd. & Topchip Electronic Co. Ltd.
CEO/CFO	R.O.C.	Joyce Lu (Female)	2024.3.1	102,032	0.05	0	0	Master of Business Administration, National Taipei University Department of Accounting, National Chengchi University	Chairman, Topco Investment Co., Ltd., Topco Group, Asia Topco
Sr. CEO	R.O.C.	Dennis Chen (Male)	2024.3.1	16,434	0.01	226,435	0.12	Master of Chemistry, National Taiwan University, Department of Chemistry, National Tsing Hua University	Chairman, Japan Topco Scientific Co., Ltd. & Topchem Materials Co., Ltd.,
CEO	R.O.C.	Daniel Wu (Male)	2024.3.1	173,866	0.09	12,346	0.01	Department of Business Administration, National Central University	Chairman, Taiwan E&M Systems Inc., Top Vacuum Co., Ltd., Topco Scientific USA Corp., Equator Materials Corporation & Toplight Advanced Co., Ltd.
CEO	R.O.C.	Eugene Lee (Male)	2024.3.1	87,585	0.05	10,288	0.01	Master of Materials Science and Engineering Dept. University of Michigan	Chairman, Shanghai Perfect Microelectronics Co., Ltd. & Topco Scientific (Korea) Co., Ltd.
CTO	R.O.C.	Tina Ding (Female)	2016.3.2	11,000	0.01	0	0	Master of Electrical Engineering, National Taiwan University	None
COO	R.O.C.	Daniel Yang (Male)	2024.3.1	25,000	0.01	0	0	Master of Chemistry, National Taiwan University	Chairman, Anyong (S) Pte. Ltd., Ping Yue Technologies Sdn Bhd.
COO	R.O.C.	Jackie Wu (Male)	2025.1.10	0	0	0	0	Master of Engineering, National Taiwan University of Science and Technology, Director of Taipei Net Zero Emission Management Association	None

Title	Nationality	Name (Gender)	Date Effective	Shareholding		Spouse & Minor Shareholding		Experience (Education)	Positions concurrently Held in other companies
				Shares	%	Shares	%		
CIO	R.O.C.	Arthur Lee (Male)	2024.12.1	0	0	0	0	PhD, Institute of Information Science, National Tsing Hua University. Vice President, Compal Electronics, Inc.	None
General Manager of BU	R.O.C.	John Chen (Male)	2024.3.1	8,716	0.00	0	0	Master of the School of Management, National Taiwan University, Master of the Institute of Industrial Engineering, Tunghai University	None
Sr. General Manager of BU	R.O.C.	Kevin Lin (Male)	2024.3.1	15,103	0.01	0	0	Master of Chemical Engineering, National Taiwan University	None
General Manager of BU	R.O.C.	Reggie Liu (Male)	2021.4.1	28,654	0.02	0	0	Department of Electronic Engineering, Chung Yuan Christian University	None
General Manager of BU	R.O.C.	Eva Mai (Female)	2021.4.1	67,841	0.04	0	0	Master of Business Administration, National Taipei University	None
General Manager of BU	R.O.C.	Alex Wang (Male)	2024.2.1	0	0	0	0	Master of Business Administration, Shanghai Jiao Tong University, Department of Chemistry, Kaohsiung Medical College	None
General Manager of Energy Division	R.O.C.	Johnny Huang (Male)	2021.2.1	69,025	0.04	0	0	Master of Business Administration, Ming Chuan University	Chairman, Jing Chen Energy Co., Ltd., Jing Yang Energy Co.,Ltd., Jing Yueh Energy Co.,Ltd., Ding Yue Energy Co., Ltd., Kuan Yueh Technology Engineering Co.,Ltd.
General Manager of Int'l Management Div.	R.O.C.	Vincent Chen (Male)	2024.9.9	7,000	0.00	0	0	Master of Environmental Engineering, National Taiwan University	Chairman, Chongling Chemical Product Trading(Z.F.T.Z.) Co., Ltd., Topco Engineering (Suzhou) Ltd.
Sr. Deputy General Manager	R.O.C.	Monica Chiu (Female)	2011.1.1	19,211	0.01	0	0	Master of Business Management, University of Wisconsin	None
Sr. Deputy General Manager	R.O.C.	Della Huang (Female)	2017.4.1	131,651	0.07	0	0	Department of International Trade, Feng Chia University	Chairman, City Space International Co., Ltd.
Sr. Deputy General Manager	R.O.C.	Gary Sun	2025.3.1	5,000	0.00	0	0	Master of International Business Group, National Taiwan University, Business Development Director, APAC, Vestas Taiwan	None
Vice President	R.O.C.	Nicole Lee (Female)	2020.4.1	10,144	0.01	0	0	Master degree in Accounting, National Chengchi University	None
1.The Company's shares held by managers in the name of other persons: None. 2.The General Manager (or someone with an equivalent job responsibility, i.e. the highest ranking manager of the company) and Chairman are not (1) the same person, (2) in a marital relationship with each other, or (3)within one degree of consanguinity. 3.The above managers each other with spouses or relationships within the second degree of kinship : None.									

II 、 Compensation of Directors, Supervisors, President, and Vice Presidents :

(I) Compensation to Directors

Unit : NT\$ thousands, Dec. 31, 2024

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note 6)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of sum of items A, B, C, D, E, F and G to profit (%) (Note 6)		Remuneration from ventures other than subsidiaries or from the parent company
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances(E) (Note 4)		Severance Pay (F)		Employee Compensation (G) (Note 5)						
		From Topco	From All Consolidated Entities	From Topco	From All Consolidated Entities	From Topco	From All Consolidated Entities	From Topco	From All Consolidated Entities	From Topco	From All Consolidated Entities	From Topco	From All Consolidated Entities	From Topco		From All Consolidated Entities		From Topco	From All Consolidated Entities			
Director	Jeffery Pan	0	0	0	0	18,385	18,385	0	0	2.2%	2.2%	52,778	55,090	954	954	40,990	0	40,990	0	4.8%	4.8%	None
	Simon Tseng	0	0	0	0	13,789	13,789	0	0													
	Charles Lee	0	0	0	0	13,789	13,789	0	0													
	Jia Pin Investment Development Co., Ltd. representative: Joyce Lu	0	0	0	0	13,789	13,789	0	0													
	Kuo, Kuan-Hung	0	0	0	0	13,789	13,789	0	0													
	Pei-fen Chang	0	0	0	0	6,894	6,894	21	21													
	Independent Director	Sheu, Her-Jiun	0	0	0	0	4,596	4,596	240													
Hsin, Ta-Chih		0	0	0	0	4,596	4,596	240	240													
Chen, Yu-Shan		0	0	0	0	4,596	4,596	240	240													
<p>1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration: The remuneration paid to independent Directors is in compliance with TOPCO’s Articles of Incorporation §20 and “Rule for distribution of Compensation to Director”. A maximum of 3% net profit before tax will be allocated as directors’ remuneration. The compensation should be based on the Company’s overall operating performance with consideration of the contribution of each director to Company, including the level of involvement and actual time after appointment. Related performance and the plausibility of compensations are both approved by Remuneration Committee and the Board meetings.</p> <p>2. In addition to the above remuneration, director remuneration shall be disclosed as follows when received from companies included in the consolidated financial statements in the most recent year to compensate directors for their services, such as being independent consultants: None</p>																						

Table of Remuneration ranges

Range of Remuneration	Name of Director			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	From Topco	From All Consolidated Entities(I)	From Topco	From All Consolidated Entities(J)
Less than NT\$ 1,000,000				
NT\$1,000,000 ~ NT\$1,999,999				
NT\$2,000,000 ~ NT\$3,499,999				
NT\$3,500,000 ~ NT\$4,999,999	Sheu, Her-Jiun, Hsin, Ta-Chih, Chen, Yu-Shan	Sheu, Her-Jiun, Hsin, Ta-Chih, Chen, Yu-Shan	Sheu, Her-Jiun, Hsin, Ta-Chih, Chen, Yu-Shan	Sheu, Her-Jiun, Hsin, Ta-Chih, Chen, Yu-Shan
NT\$5,000,000 ~ NT\$9,999,999	Chang, Pei-Fen	Chang, Pei-Fen	Chang, Pei-Fen	Chang, Pei-Fen
NT\$10,000,000 ~ NT\$14,999,999	Simon Tseng, Charles Lee, Kuo, Kuan-Hung, Jia Pin Investment	Simon Tseng, Charles Lee, Kuo, Kuan-Hung, Jia Pin Investment	Jia Pin Investment	Jia Pin Investment
NT\$15,000,000 ~ NT\$29,999,999	Jeffery Pan	Jeffery Pan	Joyce Lu	Joyce Lu
NT\$30,000,000 ~ NT\$49,999,999			Jeffery Pan, Simon Tseng, Charles Lee, Kuo, Kuan-Hung	Jeffery Pan, Simon Tseng, Charles Lee, Kuo, Kuan-Hung
NT\$50,000,000 ~ NT\$99,999,999				
Greater than or equal to NT\$100,000,000				
Total	9 persons	9 persons	10 persons	10 persons

Note 1 : Compensation for directors in the most recent year , including salaries, allowance, severance pay, bonuses, etc.

Note 2 : The amount of director's remuneration approved by the board of directors in the most recent year.

Note 3 : Expenses relating to business execution by directors in the most recent year, including transportation allowances, subsidies, accommodations, and company cars.

Note 4 : Remuneration paid to directors who also served as president, vice president, managerial officers or employees in the most recent year, including salary, allowances, severance pay, bonuses, transportation allowances, accommodations and company car.

Note 5 : Employee's remuneration approved by the Board Meeting , including stock and cash, paid to directors who also served as president, vice President, managerial officers or employees in the most recent year. and estimated base on the amount distributed in previous year proportionally.

Note 6 : Profit refers to the profit for the year in the 2024 parent company only financial statements of Topco under Taiwan IFRS.

(II) Compensation to Supervisors: Not applicable

(III) Compensation for President and Vice Presidents

Unit : NT\$ thousands, Dec. 31, 2024

Title	Name (Note5)	Salary (A) (Note 1)		Severance Pay (B)		Bonuses and Allowances (C) (Note 2)		Employee Compensation (D) (Note 3)				Ratio of sum of items A, B, C and D to profit (%) (Note 4)		Remuneration from ventures other than subsidiaries or from the parent company
		From Topco	From All Consolidated Entities	From Topco	From All Consolidated Entities	From Topco	From All Consolidated Entities	From Topco		From All Consolidated Entities		From Topco	From All Consolidated Entities	
								Cash	Stock	Cash	Stock			
Group Chairman	J. W. Kuo	65,945	78,181	3,062	3,062	91,132	106,629	120,010	-	120,010	-	7.7%	8.4%	None
Group Vice Chairman	Robert Lai													
President / Group Managing Director	Simon Tseng													
President / Group Managing Director	Charles Lee													
CEO/CFO	Joyce Lu													
Sr. CEO	Dennis Chen													
CEO	Daniel Wu													
CEO	Eugene Lee													
CTO	Tina Ding													
COO	Henry Ho													
COO	Daniel Yang													
COO	Steve Tan													
CIO	Arthur Lee													
Sr. General Manager of BU	Kevin Lin													
General Manager of BU	John Chen													
General Manager of BU	Reggie Liu													
General Manager of BU	Eva Mai													
General Manager of BU	Alex Wang													
General Manager of Energy Div.	Johnny Huang													
General Manager of Int'l Management Div.	Vincent Chen													
Sr. Deputy General Manager	Monica Chiu													
Sr. Deputy General Manager	Della Huang													
Vice President	Nicole Lee													

Table of Remuneration ranges

Range of Remuneration	Name of President and Vice President	
	From Topco	From All Consolidated Entities E
Less than NT\$ 1,000,000		
NT\$1,000,000 ~ NT\$1,999,999	Vincent Chen, Arthur Lee	Arthur Lee
NT\$2,000,000 ~ NT\$3,499,999		
NT\$3,500,000 ~ NT\$4,999,999	J.W. Kuo	J.W. Kuo
NT\$5,000,000 ~ NT\$9,999,999	Steve Tan, Henry Ho, Alex Wang, Monica Chiu, Johnny Huang, Della Huang, Nicole Lee	Alex Wang, Vincent Chen, Monica Chiu, Johnny Huang, Della Huang, Nicole Lee
NT\$10,000,000 ~ NT\$14,999,999	Eugene Lee, Tina Ding, John Chen, Kevin Lin, Reggie Liu, Eva Mai	Steve Tan, Tina Ding, Henry Ho, Kevin Lin, Reggie Liu, Eva Mai
NT\$15,000,000 ~ NT\$29,999,999	Robert Lai, Simon Tseng, Charles Lee, Joyce Lu, Dennis Chen, Daniel Wu, Daniel Yang	Robert Lai, Simon Tseng, Charles Lee, Joyce Lu, Dennis Chen, Daniel Wu, Eugene Lee, Daniel Yang, John Chen
NT\$30,000,000 ~ NT\$49,999,999		
NT\$50,000,000 ~ NT\$99,999,999		
Greater than or equal to NT\$100,000,000		
Total	23 persons	23 persons

Note 1 : Salaries, allowances, and severance paid for President and Vice President in the most recent year.

Note 2 : Bonuses, allowance, subsidies, accommodations, and company cars in the most recent year.

Note 3 : Employee's remuneration approved by the Board Meeting , including stock and cash, paid to president and vice President in the most recent year. and estimated base on the amount distributed in previous year proportionally.

Note 4 : Profit refers to the profit for the year in the 2024 parent company only financial statements of Topco under Taiwan IFRS.

Note 5 : J.W. Kuo was resigned on Apr.16,2024; Alex Wang was appointed on Feb.1,2024, John Chen was appointed on Mar.1,2024, Vincent Chen was appointed on Sep. 9, 2024, Arthur Lee was appointed on Dec.1,2024; Steve Tan passed away on Aug.25,2024.

(IV) If a listed company has the following circumstances, it shall disclose the compensation of the first five top management individually.

1. Parent company only or individual financial statements in the last three years have shown after-tax losses: None.
2. Listed companies whose results of the most recent corporate governance assessment are at lowest level: None.

(V) Employee's remuneration amount paid to Executive Officers

Unit : NT\$ thousands, Dec. 31, 2024

	Title	Name	Stock	Cash	Total	Ratio of total amount to the net income after taxes (%)
Executive Officers	Group Chairman	J. W. Kuo	-	120,010	120,010	3.3%
	Group Vice Chairman	Robert Lai				
	President / Group Managing Director	Simon Tseng				
	President / Group Managing Director	Charles Lee				
	CEO/CFO	Joyce Lu				
	Sr. CEO	Dennis Chen				
	CEO	Daniel Wu				
	CEO	Eugene Lee				
	CTO	Tina Ding				
	COO	Henry Ho				
	COO	Daniel Yang				
	COO	Steve Tan				
	CIO	Arthur Lee				
	General Manager of BU	John Chen				
	Sr. General Manager of BU	Kevin Lin				
	General Manager of BU	Reggie Liu				
	General Manager of BU	Eva Mai				
	General Manager of BU	Alex Wang				
	General Manager of Energy Div.	Johnny Huang				
	General Manager of Int'l Management Div	Vincent Chen				
	Sr. Deputy General Manager	Monica Chiu				
	Sr. Deputy General Manager	Della Huang				
	Vice President	Nicole Lee				

Note 1 : Employee's remuneration approved by the Board Meeting , including stock and cash, paid to Executive Officers in the most recent year. and estimated base on the amount distributed in previous year proportionally. Profit refers to the profit for the year in the 2024 parent company only financial statements of Topco under Taiwan IFRS.

(VI) Total remuneration as a percentage of profit as paid by the company, and all consolidated entities, during the past two fiscal years to its Directors, Supervisors, the President, and Vice President. As well as the policies and standards for the payment of compensation, the procedures for determining the compensation, and the linkages to performance and future risk exposure.

1. Total remuneration as a percentage of profit.

	Ratio of 2024 total remuneration to profit (%)		Ratio of 2023 total remuneration to profit (%)	
	TOPCO	All Consolidated Entities	TOPCO	All Consolidated Entities
Directors	5.2	5.2	5.8	5.9
President and Vice Presidents	7.7	8.4	9.6	10.4

2. Policies, standards, and packages for payment of compensation, as well as the procedures followed for determining the compensation, and their linkages to business performance and future risk exposure.
- (1) Remuneration should be according to "Regulations Governing Employee Salary and Benefit" and based on the Company's overall operating performance with consideration of the contribution of each Directors, Supervisors and executive officers to the company and the risk the Company will face. The remuneration system is reviewed in a timely manner depending on the actual operating conditions and relevant laws and regulations to reach a balance between the company sustainable operation and risk control.
 - (2) The remuneration paid to Directors is in compliance with TOPCO's Articles of Incorporation §20 and "Rule for distribution of Compensation to Director". A maximum of 3% net profit before tax will be allocated as directors' remuneration. The compensation should be based on the Company's overall operating performance with consideration of the contribution of each director to Company, including the level of involvement and actual time after appointment. Related performance and the plausibility of compensations are both approved by Remuneration Committee and the Board meetings.
 - (3) According to the Company's articles of incorporation, a minimum of 4% net profit before tax will be distributed as employee remuneration, and 8% was distributed in 2024 as employee remuneration. The compensation of President and Vice President includes salaries and bonuses. The salaries are decided based on job title, job grade, education and working experience, professional competence, job responsibility and with reference to industry. The bonuses paid to President and Vice President are decided based on the factors of operational management capability, financial performance index, continuing education, participation in sustainable development and other special contribution to the company.
 - (4) The Remuneration Committee was set up at the Board Meeting on Dec. 30, 2011. The compensation are reviewed regularly in Remuneration Committee then submitted to the Board Meeting for approval.

III. Implementation of Corporate Governance

(I) Operations of the Board of Directors

1. The Company had convened Seven Board of Directors meetings in 2024 with the following attendance :

Title	Name	Attendance in Person	By Proxy	Attendance Rate (%)	Remarks
Chairman	Jeffery Pan	7	0	100	
Director	Simon Tseng	7	0	100	
Director	Charles Lee	7	0	100	
Director	Jia Pin Investment Development Company Limited	7	0	100	
Director	Kuo, Kuan-Hung	7	0	100	
Director	Chang, Pei-fen	7	0	100	
Independent director	Sheu, Her-Jiun	7	0	100	
Independent director	Hsin, Ta-Chih	7	0	100	
Independent director	Chen, Yu-Shan	7	0	100	

Other mentionable items :

1. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response should be specified.
 - (1)Matters referred to in Article 14-3 of the Securities and Exchange Act. :
The Company has established an Audit Committee, members are composed of all independent directors. Please refer to Page 20-21 of the Annual Report for related information of the operation status of the Audit Committee.
 - (2)In addition to the aforementioned matters, other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the board of directors. : None
2. If there are directors' avoidance of motions in conflict of interest, the directors' name, contents of motion, causes for avoidance and voting should be specified : None
3. TWSE/TPEx-listed companies are required to disclose the evaluation cycle and period, scope of evaluation, evaluation method, and evaluation items of the self (or peer) evaluations conducted by the Board of Directors, and to fill out "Implementation Status of Board Evaluations." :

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method	Evaluation items
(1)Once a year for self-assessment (2)Once three years for external evaluation	Conduct review on the performance of the Board of Directors for the period from Jan.1 to Dec.31,2024	Include the performance review of the Board of Directors, individual members of the Board, Remuneration Committee, Audit Committee and functional committees.	Self-assessment conducted by the Board of Directors and members of the Board.	(1)Performance review of the Board of Directors: include the level of involvement in the Company's operation, quality of decisions made by the Board of Directors, composition and structure of the Board, election and continuing education of Board members and internal controls. (2)Performance review of individual Board members: include grasping of the Company's goals and duties, recognition of directors' duties, the level of involvement in the Company's operations, management and communication with internal stakeholders, professionalism and continuing education of directors and internal controls. (3)Performance review of functional committees: level of involvement in the Company's operations, recognition of the duties of the committee, quality of decisions made by the committee, composition and election of committee members and internal controls.

The Company completed self evaluations of Board performance in 2024 and reported the results to the Board of Directors on February 27, 2025. The weighted average score for the overall performance of the board of directors is from 4 to 5 out of 5. the overall board's operation has been effective.

4. Evaluation of targets for strengthening of the functions of the Board of Directors during the current and immediately preceding fiscal years and measures taken to achieve the targets.
 - (1) Besides proving the directors and supervisors with the relevant laws and regulations, the Company requires the Board to present the current business status of the Company at board meetings and prepare the relevant information for the proposals for inquiry by nominated personnel.
 - (2) Provide information on an array of training courses to strengthen the competency of board members. A total of Nine directors undertake a total of 56 hours of training during 2024.
 - (3) In an effort to carry out corporate governance and improve the operational efficiency of the Board of Directors, the Company has put in place the "Rules for Performance Review of Board of Directors" to take effect from 28 December, 2018. The annual performance review for the previous fiscal year takes place at the start of the current fiscal year. Results of the review are presented to the nearest upcoming Board of Directors' meeting.
 - (4) The operation of the Board of Directors was in accordance with the "Rules for Board of Directors' Meeting".
 - (5) To ensure information transparency, the Company will publicly disclose important resolutions of the Board of Directors' meeting on the Company's website (<https://www.topco-global.com/board-of-directors>) subsequent to the board meetings in the best interest of shareholders.

(II) Operations of the Audit Committee

1. Information on the members of the Audit Committee

Identity	Criteria Name	Professional qualifications and experience independent status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an members of Audit Committee
Independent director	Sheu, Her-Jiun	please refer to “Information as professional qualifications and independent status of independent directors” in page 5~9 for further details.	0
Independent director	Hsin, Ta-Chih		0
Independent director	Chen, Yu-Shan		1

2. Operations of the Audit Committee

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

(2) Current term of office : May 30, 2023~May 29, 2026

The Company had convened Seven Audit Committee meetings in 2024 with the following attendance :

Title	Name	Attendance in Person	By Proxy	Attendance Rate (%)	Remarks
Independent Director	Sheu, Her-Jiun	7	0	100	
Independent Director	Hsin, Ta-Chih	7	0	100	
Independent Director	Chen, Yu-Shan	7	0	100	

Other mentionable items :

1. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors’ opinions and the company’s response should be specified.

(1)Matters referred to in Article 14-5 of the Securities and Exchange Act. :

Date/Term of the Audit Committee	Content of motion	Independent director’s opinions or objections	Audit Committee resolutions	Company’s response
The 4 th meeting, 2st Term 2024.02.29	Discussion on the purchase of mechanical and electrical engineering for Zhouzi Street building.	None	All committee members attending unanimously resolved to adopt the proposal.	All directors attending unanimously resolved to adopt the proposal.
The 5 th meeting, 2st term 2024.05.02	1.Discussed the replacement of CPAs. 2.Appointment of CPAs for the 2024 fiscal year. 3.Amendment of the Articles of “Procedures for Acquisition or Disposal of Assets”. 4.Discussion on the purchase of mechanical and electrical engineering for the plant of HSP Branch. 5.Appointment of senior managers to supervise and control risks in derivatives trading.	None	All committee members attending unanimously resolved to adopt the proposal.	All directors attending unanimously resolved to adopt the proposal.
The 6 th meeting, 2st term 2024.07.30	1.Discussion on the acquisition of equipment by the subsidiary. 2.Discussion on the subsidiary’s subscription to the capital increase shares of the grandson company.	None	All committee members attending unanimously resolved to adopt the proposal.	All directors attending unanimously resolved to adopt the proposal.

Date/Term of the Audit Committee	Content of motion	Independent director's opinions or objections	Audit Committee resolutions	Company's response
	3.Discussion on endorsement and guarantee for the project undertaken by ECO Technical Services Co., Ltd.			
The 3 st extraordinary meeting, 2nd term 2024.09.13	Discussion on the budget increase for the purchase of mechanical and electrical engineering for Zhouzi Street building.	None	All committee members attending unanimously resolved to adopt the proposal.	All directors attending unanimously resolved to adopt the proposal.
The 4 st extraordinary meeting, 2nd term 2024.09.18	Discuss related-party transactions for the increase purchase of mechanical and electrical engineering for Zhouzi Street building.	None	All committee members attending unanimously resolved to adopt the proposal.	All directors attending unanimously resolved to adopt the proposal.
The 7 nd meeting, 2nd term 2024.10.30	1.Discussed the company's derivative trading recognition. 2.Amendment of the Articles of “Explanatory Notes for Acquisition or Disposal of Assets: Derivative Trading”.	None	All committee members attending unanimously resolved to adopt the proposal.	All directors attending unanimously resolved to adopt the proposal.
The 8 th meeting, 2nd term 2024.12.26	1.Discussed the office rental from affiliated companies. 2.Amendment of the Articles of “Auditing Standards”.	None	All committee members attending unanimously resolved to adopt the proposal.	All directors attending unanimously resolved to adopt the proposal.

(2)Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors : None

- If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None
- Communications between the independent directors, the Company's chief internal auditor and CPAs.

Date	Summary of Communication	Implementation Status
Feb.24,2024 Communicaiton Meeting	1.The 2023 standalone financial statements and consolidated financial statements audited and attested by CPAs. 2.Communication of the scope of audit and key matters as well as major changes to laws and regulations. 3.Communication of the firm of quality management system and audit quality indicators. 4.Communication of questions raised by meeting attendees between the audit manager and CPAs.	none expressing dissenting opinions.
Feb.29,2024 Audit Committee Meeting	1. Audit plan execution report for 2024 Q1. 2. Statement of Internal Control System for 2023	Submitted the Board of Directors for resolution and proceed in accordance with the resolution of the Board.

(III)Corporate Governance Implementation Status and Deviations from “the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”.

Assessment Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary	
1.Does the Company stipulate and disclose best practice principles for corporate governance according to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	✓		The Company has established the “Corporate Governance Best-Practice Principles” based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” on Dec.28,2018. The information has been disclosed on the Company’s website.	None
2.Shareholding structure & shareholders' rights (1)Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure? (2)Does the company possess the list of its major shareholders as well as the ultimate owners of those shares? (3)Does the company establish and execute the risk management and firewall system within its conglomerate structure? (4)Does the company establish internal rules against insiders trading with undisclosed information?	✓ ✓ ✓ ✓		(1) The Company has appointed dedicated personnel (spokesperson, acting spokesperson, shareholder service unit and media contact person) as well as a legal department to offer appropriate legal consultation services and handle shareholder recommendations, queries, disputes, and litigated events. (2) The Company maintains a current list of its directors, managerial officers, and major shareholders and has instituted the Stock Affairs Office to handle shareholder affairs. The Company maintains sound interactions and relationship with its major shareholders and monitors matters that may give arise to changes in share ownership. (3) The Company has in place appropriate risk control mechanisms and firewall through instituting the internal control systems in accordance with “Regulations Governing Transactions Between Specific Companies, Related Parties and Group Enterprises”, “Regulations Governing Supervision of Subsidiary Companies”, “Procedures for Loan to Others and Endorsements and Guarantees” and “Procedures for Acquisition or Disposal of Assets”. (4) The Company has established “Procedures for Prevention of Insider Trading” , “Code of Ethical Conduct”, and “Ethical Corporate Management Best Practice Principles” to prohibit employees from engaging in insider-trading using information that is not publicly available or disclosing the said information to others to engage in insider trading. The handling and disclosure of significant information shall be in accordance with the relevant laws and regulations.	None

Assessment Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary	
<p>3. Composition and responsibilities of the Board of Directors</p> <p>(1) Does the Board established a diversity policy, specific management goals and implemented it accordingly?</p> <p>(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?</p> <p>(3) Does the company establish a standard to measure the performance of the Board and implement it annually, and are performance evaluation results submitted to the Board of Directors and referenced when determining the remuneration of individual directors and nominations for reelection?</p> <p>(4) Does the Company regularly assess on the independence of CPAs?</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>		<p>(1) The Company’s “ Corporate Governance Best Practice Principles” consider the diversity policy of board members. please refer to “Diversified board of directors” in page 14 of the annual report for further details.</p> <p>(2) The Company has instituted the “Audit Committee”, “Remuneration Committee”, “Corporate Governance and Nominating Committee” and the “Risk Management Committee”. The Company may institute other functional committees in future according to operational requirements.</p> <p>(3) The Company has put in place the “Rules for Performance Review of Board of Directors” to take effect from December 28, 2018 to review the efficiency and functioning of the board. The board has executed internal performance evaluation for the 2024. Results of the evaluation were presented at the board of directors’ meeting on February 27, 2025 and published on the Company’s website.</p> <p>(4) The Company appoints KPMG, a reputable CPA firm in Taiwan as our independent accountants. The Company evaluates the independence and competency of the CPAs at least once a year on the basis of the scale of operation and reputation of the CPA firm, years of consecutive audit service, the nature and scope of non-audit services, audit engagement fees, the quality of audit services and interactions of CPAs with the Company’s management and internal audit managers. The Company requests the CPAs and their firm to provide the relevant information and Statement of Independence for evaluation by the Accounting Department. Results of evaluation for the past two fiscal years were presented to the board on February 29, 2024 and February 27, 2025 respectively.</p>	None

Assessment Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary	
4.Does the company appoint a suitable number of competent personnel and a supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the board of directors and the shareholders' meetings, and producing minutes of board meetings and shareholders' meetings)	✓		<p>In an effort to implement corporate governance, the Company has appoints designated personnel to handle corporate governance affairs. The board resolved on November 8, 2019 to appoint senior vice-president Della Huang to be solely responsible for overseeing the Company’s corporate governance operations. Ms Huang has over ten years of experience in handling stock affairs or administrative matters of meetings of public companies. Her primary duties include handling matters associated with convening board meeting and shareholders’ meetings in accordance with law, prepare minutes of board and shareholders’ meetings, assist directors in taking office and continuing training, provide directors with information they require to perform their duties, and collect information on the latest regulatory updates relevant to the Company’s business operations to ensure regulatory compliance.</p> <p>Status of implementation for the 2024 fiscal year has been published on the Company’s website, summary of which is provided below:</p> <p>(1) Assist directors in performing their duties and provide the required information and arrange training for directors.</p> <p>(2) Assist with the functioning of the respective functional committees, board of directors and meeting procedures of shareholders’ meeting as well as regulatory compliance matters.</p> <p>(3) Maintain investor relations.</p>	None
5. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	✓		<p>The Company holds belief in diligent, honest, and professional management and maintains sound interactions with its stakeholders. Our services are deeply trusted by our suppliers and customers. The Company has instituted a dedicated stakeholder section on the Company’s website to offer product information and appropriate channel for communication. The Company prepares the annual ESG report, conducts customer satisfaction surveys, and has instituted a platform on the internal employee portal to promote communications between employees and the Company’s management team. We regularly report the communication situation with various stakeholders to the board of directors per year and reported the implementation situation during 2024 to the board of directors on February 27, 2025.</p>	None

Assessment Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary	
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		The Company has appointed the stock affairs agency service department of the Grand Fortune Securities to handle all stock affairs and matters pertaining to shareholders’ meetings.	None
7.Information disclosure (1)Does the company have a corporate website to disclose both financial standings and the status of corporate governance? (2)Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)? (3)Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results of operation ahead of the due dates?	✓ ✓ ✓		(1)The Company publishes the various financial and business information periodically and from time to time on the website of the Market Observation Post System. The Company has established a website in Traditional Chinese, Simplified Chinese and English and a dedicated “Stakeholders Section” to disclose information on corporate governance. Website: http://www.topco-global.com . (2)The Company has appointed dedicated personnel to be responsible for collecting and disclosing the information outlined in the left column, Regularly convenes investor conferences four times a year, has established a spokesperson system and offers appropriate company information and channel for communications for investors on the Company’s website. (3)The Company has published and filed its annual financial statements within three months of the end of the fiscal year in accordance with regulatory requirements and published and filed its financial statements for Q1, Q2, and Q3 and monthly operating status prior to the due dates.	None
8.Is there any other important information to facilitate a better understanding of the company’s corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors’ and supervisors’ training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for	✓		(1) Employees’ rights and employee care: please refer to “Labor Relations” in page 86 of the annual report for further details. (2) Investor relations, supplier relations and stakeholder’ rights: The Company places high importance in communications with suppliers and clients. Besides regularly visiting suppliers and clients, the Company hosts workshops and sports events from time to time to promote interactions with suppliers and clients. The Company also has a product manager system in place and a dedicated system and line for handling customer feedbacks to ensure that customers’ issues are resolved with dedicated assistance. On the other hand, the Company has also appointed a spokesperson, acting spokesperson and media release contact	None

Assessment Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary	
directors and supervisors)?			<p>person to be solely responsible for handling investors’ queries and communications. The Company convenes the investor conference each year and discloses the relevant information on the Company’s website.</p> <p>(3) Further training of directors and managerial officers: please refer to “Corporate Governance Training” in page 29-30 for further details.</p> <p>(4) Implementation of the risk management policy and risk assessment standards:</p> <p>A.Risk management policy: The company and its subsidiaries continue to propel and implement risk-orientated management approach to foster operational strategies, prevent possible losses within the tolerable risk range with the goal of meeting the business targets to add values for shareholders.</p> <p>B.Organizational structure of risk management: The organizational structure of the Company’s risk management framework is divided into the following responsible units according to the nature of the businesses:</p> <p>(a) Board of Directors: responsible of establishing the Company’s risk management policy, deliberating, and formulating the risk management policy and guiding principles to be used as the standards for the Company and its subsidiary companies to follow in exercising risk management.</p> <p>(b) Risk Management Committee: The general manager assigns supervisors to take charge of the work of each risk group and implement related work plans, and regularly report the implementation status to the committee to ensure the operation of the management structure and risk control functions. The operation of the committee is in accordance with the company's "Risk Management Committee rules" and should report to the board of directors twice a year. The annual report was submitted to the Board of Directors on July 30 and December 26, 2024.</p>	

Assessment Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary	
			<p>(c) Auditing Office: Draw up the annual audit plan based on the results of the risk assessment. Conduct audits on the operations of each business unit periodically and from time to time; propel and improve the Company’s internal control system to ensure that the internal controls continue to be effectively implemented.</p> <p>(d) The company and subsidiaries: They should clearly identify the risks, and comply with the relevant regulations of the company's internal control, perform necessary operations and risk management, and ensure that the risks involved are controlled within an acceptable range.</p> <p>C.Operations of risk management: The risk management committee has instituted emergency response team, operational risk, financial risk, information security risk and climate risk etc. The general manager assigns relevant unit supervisors to take charge of the each group and execute the work plans.</p> <p>(5) Implementation of client policy: The Company undertakes customer satisfaction surveys each year to collect customer feedbacks to be used as the reference for future development of products and services.</p> <p>(6) Professional indemnity insurance for directors: The Company renewed the indemnity insurance for directors underwritten by Fubon Insurance Co., Ltd. in October 2024. Total insured value was NT\$ 152,500,000.</p> <p>(7) Certification obtained by personnel responsible for managing the transparency of financial information: R.O.C. CPA: two peoples qualified including the CEO/CFO Joyce Lu and Chief accountant officer Nicole Lee. CFA of United States: one person qualified, Vice President Chihkai Chang from the Investment Management Division. International qualified CIA: one person qualified, Chief internal auditor Angel Liu. Internationally qualified CISA: one person qualified including the Chief internal auditor</p>	

Assessment Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary	
			<p>Angel Liu.</p> <p>(8) Procedures for handling significant internal information:</p> <p>1.The Company has established the “Procedures for Prevention of Insider Trading” , which are uploaded and published on the internal employee portal. The established mechanism for handling and disclosing significant internal information ensures the consistency and accuracy of information made publicly available.</p> <p>2.The handling and disclosure of significant internal information or uploading to the Market Observation Post system is subject to approval and documentation. The handling personnel is prohibited from disclosing the Company’s significant internal information without prior consent.</p>	
9.Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures.	✓		<p>(1) Improvements made:</p> <p>1. Execution of transactions between significant related parties report to Shareholders’ Meeting.</p> <p>2. Announce to annual financial report within two months after the end of the fiscal year.</p> <p>3. Annual reports disclose the link between performance evaluation and remuneration of directors and managers.</p> <p>(2) Priority improvements and measures:</p> <p>1. Formulate specific measures to enhance corporate value.</p> <p>2. Establishment of the sustainable development committee.</p>	None

Note : Corporate Governance Training in 2024:

Position Name	Date	Organizer	Course Name	Hours
Chairman Jeffery Pan	Aug.1,2024	Corporate Operating and Sustainable Development Association	Relevant regulations and practical disputes about the board of directors	3
	Sep.12,2024		Discussion of Global tax reform and corporate tax governance in the context of ESG trend and international environment change	3
Director Simon Tseng	Aug.1,2024	Corporate Operating and Sustainable Development Association	Relevant regulations and practical disputes about the board of directors	3
	Sep.12,2024		Discussion of Global tax reform and corporate tax governance in the context of ESG trend and international environment change	3
Director Charles Lee	Oct.30,2024	Corporate Operating and Sustainable Development Association	Practical analysis of equity investment planning and joint venture agreements for M&A	3
	Nov.27,2024		Analysis of practical disputes in the board of directors	3
Director Joyce Lu	Apr.10,2024	Taiwan Institute of Directors	Lead the way for corporate wisdom and corporate governance	3
	Aug.1,2024	Corporate Operating and Sustainable Development Association	Relevant regulations and practical disputes about the board of directors	3
Director Kuo, Kuan-Hung	Aug.1,2024	Corporate Operating and Sustainable Development Association	Relevant regulations and practical disputes about the board of directors	3
	Sep.12,2024		Discussion of Global tax reform and corporate tax governance in the context of ESG trend and international environment change	3
Directr Chang, Pei-Fen	Aug.20,2024	Corporate Operating and Sustainable Development Association	The company's operational weakness or crisis can be told from the financial report	3
	Sep.26,2024		Promoting Sustainable Development through Risk Management	3
Independent Director Sheu, Her-Jiun	Mar.29,2024	Taipei Financial Research and Development Foundation	New energy explosion: technological development and business opportunities of electric and smart cars	2
	Apr.26,2024		The new era of AI: Chatbot ChatGPT flips the new trend of the industry	2
	Jun.7,2024		Looking at the challenges and opportunities of the from the history of semiconductors	2
	Aug.29,2024		Corporate xTNFD nature-related financial disclosure development and outlook	2
Independent Director Hsin, Ta-Chih	Apr.10,2024	Taiwan Institute of Directors	Lead the way for corporate wisdom and corporate governance	6
	Nov.27,2024	Corporate Operating and Sustainable Development Association	Analysis of practical disputes in the board of directors	3
Independent Director	Apr.10,2024	Taiwan Institute of Directors	Lead the way for corporate wisdom and corporate governance	6

Position Name	Date	Organizer	Course Name	Hours
Chen, Yu-Shan	Nov.8,2024	Taiwan Corporate Governance Association	Discussion on corporate employee reward strategies and tools and anti-corruption prevention	3
Chief Accounting Officer Nicole Lee	Aug.19,2024 Aug.20,2024	Accounting Research and Development Foundation	Accounting Manager Continuing Education Course	12
Chief internal auditor Angel Liu	Jul.26,2024	Taiwan Association of Certified Fraud Examiners	Using digital technology to conduct investigations and prevent fraud	6
	Sep.27-Oct.2, 2024	National Chung Cheng University (Center for E-manufacturing and E-commerce)	Fundamentals and Practical Exercises in AI-Powered Computer-Assisted Auditing Software Applications	24
	Nov.29,2024		Practical Applications of Smart Auditing and Text Mining in General Ledger Analysis	6
chief corporate governance officer Della Huang	Sep.6,2024	Securities and futures Institute	Insider Trading Prevention Promotion Conference of 2024	3
	Aug.1,2024	Corporate Operating and Sustainable Development Association	Relevant regulations and practical disputes about the board of directors	3
	Sep.26,2024		Promoting Sustainable Development through Risk Management	3
	Dec.5,2024		How to Ensure Cybersecurity for Safety to Reduce the Risks in Manufacturing and Operation	3

(IV) Composition, duties, and operations of the Company's Remuneration Committee and Nomination Committee :

1.Information on the members of the Remuneration Committee

Identity	Criteria Name	Professional qualifications and experience independent status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an members of Remuneration Committee
Independent director	Sheu, Her-Jiun	please refer to “Information as professional qualifications and independent status of independent directors” in page 5~9 for further details.	0
Independent director	Hsin, Ta-Chih		0
Independent director	Chen, Yu-Shan		1

2.Operations of the Remuneration Committee

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

(2) Current term of office : May 30, 2023~May 29, 2026

The Company had convened Four Remuneration Committee meetings in 2024 with the following attendance :

Identity	Name	Attendance in Person	By proxy	Attendance Rate (%)	Remart
Independent director	Sheu, Her-Jiun	4	0	100	
	Hsin, Ta-Chih	4	0	100	
	Chen, Yu-Shan	4	0	100	

Other mentionable items :

(1)If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company’s response to the remuneration committee’s opinion : None.

(2)Resolutions of the remuneration committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members’ opinions and the response to members’ opinion should be specified : None.

(3)Proposals and resolutions of the Remuneration Committee meetings and the Company's handling of the members' opinions in the most recent year.

Meeting Date	Content of the motion	Remuneration Committee resolutions	Company’s response
2024.1.30	1.Deliberate the allocation proposal for the Company's employee compensation as well as director remuneration of 2023. 2.Amendments to the Company’s “Rules of bonus distribution rules- annual bonus, staff performance bonus”. 3.Deliberate the Company's annual bonus allocation proposal for managers in 2023. 4.Deliberate the Company's staff performance bonus allocation proposal for managers in the second half of 2023. 5.Deliberate the Company's performance	All committee members attending unanimously resolved to adopt the proposal.	All directors attending unanimously resolved to adopt the proposal.

Meeting Date	Content of the motion	Remuneration Committee resolutions	Company's response
	bonus allocation proposal for managers in the second half of 2023.		
2024.5.2	Deliberate the Company's Salary adjustment proposal for managers in 2024.	All committee members attending unanimously resolved to adopt the proposal.	All directors attending unanimously resolved to adopt the proposal.
2024.7.30	Deliberate the payment proposal to the directors of 2023.	All committee members attending unanimously resolved to adopt the proposal.	All directors attending unanimously resolved to adopt the proposal.
2024.9.13	1.Deliberate the Company's staff performance bonus allocation proposal for chairman and managers in the first half of 2024. 2.Deliberate the Company's staff performance bonus allocation proposal for managers in the first half of 2024. 3.Deliberate the payment proposal for the Company's employee compensation for managers of 2023.	All committee members attending unanimously resolved to adopt the proposal.	All directors attending unanimously resolved to adopt the proposal.

3.Information on the members of the Nomination Committee and its operating status:

- (1) There are five members in Corporate Governance and Nomination Committee of the Company, members including three independent directors and directors Joyce Lu and Kuo, Kuan-Hung. please refer to “Information as professional qualifications and independent status of independent directors” in page 5~9 for further details.

- (2) Current term of office : Jun. 9, 2023~May 29, 2026

The Company had convened two Corporate Governance and Nomination Committee in 2024 with the following attendance :

Identity	Name	Attendance in Person	By proxy	Attendance Rate (%)	Remart
Independent director	Sheu, Her-Jiun	2	0	100	
	Hsin, Ta-Chih	2	0	100	
	Chen, Yu-Shan	2	0	100	
Director	Jia Pin Investment Joyce Lu	2	0	100	
	Kuo, Kuan-Hung	2	0	100	

Other mentionable items :

State the meeting date, session, contents of the main proposals of the Nomination Committee, suggestions or objections of the members, the resolution results of the Nomination Committee and the Company's handling of the opinions of the Nomination Committee:

The company has no election proposal for 2024.

(V) Fulfillment of sustainable development and deviations from the " Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" :

Assessment Item	Implementation Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for Deviation
	Yes	No	Summary	
1.Does the Company establish a governance structure to promote sustainable development, established a dedicated (part-time) unit to promote sustainable development; and did the Board of Directors authorize senior management to handle it and report the supervisory status to the Board of Directors?	✓		The company established the "Sustainable Development Promotion Committee" in 2021, the group vice chairman is the chairperson for the company's ESG taskforce, which collates stakeholders' feedbacks and results of implementation of the plan to review the effectiveness of the plan and propose areas for improvement. The taskforce expands downwards into each responsible unit or department, and is segregated into the Environmental Protection Team, Social Inclusion Team, Corporate Governance Team, Sustainable Innovation Team to incorporate corporate substantiality developments into daily operations. The Planning Department collates and documents the findings in written report for presentation to the Board of Directors quarterly and publication on the Company's website.	None
2.Does the company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies?	✓		<p>(1) This disclosure covers the Company's sustainable development performance from January 2024 to December 2024. The boundary of risk assessment focuses on the Company, and includes engineering and other affiliated enterprises.</p> <p>(2) The Company attaches great importance to communication with stakeholders and, in accordance with the GRI Sustainability Reporting Standards and the EU dual materiality concept, carries out the material topic management process of identification, prioritization, validation, and review. In addition, through discussions with senior executives on material issues, strategic directions and corresponding measures are formulated to reduce the impact of related risks.</p> <p>(3) Based on the survey of major stakeholders' concern level and the analysis of business impacts and impacts on sustainable development, 10 material issues were identified and the related risk management strategies were formulated as follows:</p>	None

Material Issue	Risk Assessment Items	Description
Environmental	Green products	Strengthen long-term investment and R&D in wastewater treatment technologies and products that comply with the latest environmental regulations.
	Climate change	Follow the TCFD framework for comprehensive inventory, conduct GHG inventory, and review mitigation and adaptation strategies to fulfill the SBTi net-zero commitment.
Social	Talent retention and recruitment	Strengthen industry-academia cooperation to cultivate international talents. Strengthen talent retention through comprehensive remuneration, rewards, and benefits policies.
	Occupational health and safety	Establish a health and safety management system and regulations for employees, set up a dedicated unit responsible for employee health and safety, provide insurance, and offer employees training on environmental health and safety.
	Employee care	Establish an “Employee Assistance Program (EAP)” to help employees better manage personal issues and reduce their impact on work performance.
	Diversity and inclusion (human rights)	Regularly conduct employee satisfaction surveys and human rights due diligence. Identify deficiencies and implement mitigation and corrective measures, continuously improving the process.
Corporate governance	Economic performance	Accelerate overseas expansion, build a semiconductor supply chain platform, promote eco-friendly green energy and health-related businesses, deepen engagement in the high-tech sector, and expand equipment sales and plant construction consulting services.
	Research, development, and innovation	Establish a product development management mechanism and regularly review and assess the progress of new product development.
	Information security	Implement the ISO 27001 standard, continuously improve the information security management system, conduct various data protection measures, and maintain data confidentiality to strengthen information security defenses.
	Customer service	Topco accelerates the integration of supply chain partners, focusing on warehousing and logistics, to provide a complete value chain and offer proximity-based services to semiconductor customers in overseas markets.

3.Environmental issues																					
(1)Does the company establish proper environmental management systems based on the characteristics of their industries?	✓		(1) In order to achieve the goal of “low environmental pollution, waste reduction, resource reuse, and continuous improvement.” In 2023, the Company introduced and obtained the “ISO 14001” environmental management system certification.	None																	
(2)Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	✓		(2) In order to improve energy efficiency, the Company has established an annual management policy and various energy-saving measures. The Company monitor and manage air conditioning, lighting, electricity consumption, and electricity-using equipment with the Internet of Thing (IoT) using the ESCO system. A green power procurement plan has also been established, to introduce 140MWh in 2024 (a 100% increase compared to 2023), and to improve the utilization efficiency of renewable energy year by year.																		
(3)Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	✓		(3) The Company’s assessment of climate change risk and opportunity identification are listed on page 41~45 of this annual report.																		
(4)Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?	✓		(4) The results of the Company’s greenhouse gas inventory, confirmation and reduction policy are listed on page 46~48 of this annual report. Water resource management: The Company does not own factories and has business locations in office buildings. The water resource used by the Company is 100% supplied by Taipei and Taiwan Water Corporation. Total water consumption in 2024 increased by 48% from the previous year. Water consumption in the last 2 years: <table><tr><td>Year</td><td>Water consumption (metric ton)</td><td>Water intensity (tons/NT\$ million of turnover)</td></tr><tr><td>2023</td><td>6,490</td><td>0.2459</td></tr><tr><td>2024</td><td>9,640</td><td>0.3084</td></tr></table> Waste management: The Company has no self-owned factories and only generates general household waste, and entrusts qualified professional cleaning companies to dispose of it. The total waste volume in 2024 was reduced by 55% from the previous year. Waste output in the last 2 years: <table><tr><td>Year</td><td>Total waste weight (metric ton)</td><td>Waste intensity (tons/million turnover)</td></tr><tr><td>2023</td><td>39.63</td><td>0.0015</td></tr><tr><td>2024</td><td>21.62</td><td>0.0007</td></tr></table>		Year	Water consumption (metric ton)	Water intensity (tons/NT\$ million of turnover)	2023	6,490	0.2459	2024	9,640	0.3084	Year	Total waste weight (metric ton)	Waste intensity (tons/million turnover)	2023	39.63	0.0015	2024	21.62
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Year	Total waste weight (metric ton)	Waste intensity (tons/million turnover)																			
2023	39.63	0.0015																			
2024	21.62	0.0007																			

4.Social issues												
(1)Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		(1)The Company acknowledges and voluntarily adheres to the spirit of human rights protection as outlined in international standards such as the Universal Declaration of Human Rights, the United Nations Global Compact, and the International Labour Conventions. Accordingly, the “Topco Scientific Co., Ltd. Human Rights Policy” has been established, respecting the safeguards stipulated in these human rights conventions, and is publicly disclosed on the Company’s official website.	None								
(2)Does the company have reasonable employee benefit measures (including salaries, leave, and other benefits), and do business performance or results reflect on employee salaries?	✓		Conduct human rights due diligence on a yearly basis to raise awareness of human rights protections and continue to supervise and improve management to reduce the likelihood of related risks. The Company’s human rights management policies and specific plans are summarized as follows:									
(3)Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	✓		<table><tr><th>Human Rights Management Policy</th><th>Specific plan</th></tr><tr><td>•Providing a healthy and safe workplace •Assist employees to maintain physical and mental health and work–life balance</td><td>•The Company has passed the ISO 45001 occupational health and safety management system certification. Through the identification and prevention of occupational health and safety risks, the Company protects and provides employees with a safe and reliable workplace. •Every year, the Company cooperates with local well-known health checkup medical institutions to provide employees with health checkup subsidies, and arranges professional physicians to come to the Company for mental/physiological health consultation activities.</td></tr><tr><td>•Diversity, Inclusion, and Equal Opportunity</td><td>The Company clearly stipulates that it shall not unfairly treat the candidates.</td></tr><tr><td>•Prohibition of child labor and forced labor</td><td>The Company has explicitly prohibited child labor from the beginning of recruitment. The Company do not force or coerce any unwilling personnel to perform labor services.</td></tr></table>		Human Rights Management Policy	Specific plan	•Providing a healthy and safe workplace •Assist employees to maintain physical and mental health and work–life balance	•The Company has passed the ISO 45001 occupational health and safety management system certification. Through the identification and prevention of occupational health and safety risks, the Company protects and provides employees with a safe and reliable workplace. •Every year, the Company cooperates with local well-known health checkup medical institutions to provide employees with health checkup subsidies, and arranges professional physicians to come to the Company for mental/physiological health consultation activities.	•Diversity, Inclusion, and Equal Opportunity	The Company clearly stipulates that it shall not unfairly treat the candidates.	•Prohibition of child labor and forced labor	The Company has explicitly prohibited child labor from the beginning of recruitment. The Company do not force or coerce any unwilling personnel to perform labor services.
Human Rights Management Policy	Specific plan											
•Providing a healthy and safe workplace •Assist employees to maintain physical and mental health and work–life balance	•The Company has passed the ISO 45001 occupational health and safety management system certification. Through the identification and prevention of occupational health and safety risks, the Company protects and provides employees with a safe and reliable workplace. •Every year, the Company cooperates with local well-known health checkup medical institutions to provide employees with health checkup subsidies, and arranges professional physicians to come to the Company for mental/physiological health consultation activities.											
•Diversity, Inclusion, and Equal Opportunity	The Company clearly stipulates that it shall not unfairly treat the candidates.											
•Prohibition of child labor and forced labor	The Company has explicitly prohibited child labor from the beginning of recruitment. The Company do not force or coerce any unwilling personnel to perform labor services.											
(4)Does the company provide its employees with career development and training sessions?												
(5)Does the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer protection and grievance procedure policies implemented?	✓		In 2024, a total of 4,867.2 hours of human rights protection training were conducted and 3,450 employees attended. Implement the "Human Rights and Occupational Safety and Health Policy" publicity, with a 100% coverage rate. No grievance-related incident occurred in 2024.									
(6)Does the Company established the supplier management policy,	✓		(2) The Company has established the Remuneration Committee and formulated the employee salary and benefit management regulations, performance									

<p>requiring suppliers to comply with the relevant laws and regulations governing environmental protection, occupational health and safety or labors rights and detailed its implementation status?</p>	<p>✓</p>	<p>incentive regulations, employee safety and company standard rules and regulations in line with corporate social responsibility, provide employees with a reasonable performance appraisal system, and combine promotion and rewards to evaluate employees' performance. Appropriate rewards and disciplines shall be provided for performance. The Company has established a set of policies governing employee rewards, punishments, leave, and benefits, and has published them on the employee website for inquiry and compliance, so that employees have a clear reward, punishment, and benefits system to follow.</p> <p>Employee welfare measures: The Employee Welfare Committee was established to plan and provide various high-quality benefits for colleagues, such as an employee travel allowance, birthday points, marriage allowance, maternity allowance, and children's education allowance. In addition, the Company also provides a free health checkup plan for employees.</p> <p>Leave system: implemented in accordance with the Labor Standards Act. However, employees may apply for leave without pay due to circumstances such as childcare or major accidents that require a longer leave of absence, in order to meet their personal and family care needs.</p> <p>Diversity and equality in the workplace: To achieve equal pay for men and women for equal work and equal opportunities for promotion, the average female employee ratio in 2024 was 38%, and the average female supervisor ratio was 15%.</p> <p>A comprehensive salary adjustment is conducted once a year, and the overall salary adjustment in 2024 is 6% - 10%.</p> <p>(3) The Company continues to promote the operation and maintain the effectiveness of the management system through the participation of all employees and internal and external audits, and implements various occupational safety and health management tasks in accordance with various systems and operating procedures to maintain the physical and mental health of workers and reduce occupational safety and health risks, and obtained ISO 45001 certification.</p> <p>The "Occupational Safety and Health Committee" is convened every quarter to build consensus and establish an internal communication mechanism with</p>	
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		<p>disaster prevention and disaster prevention as the core concept. Ensures employees' safety at work and their physical and psychological health through regular examination of laws and regulations, hazard identification and risk assessment, work environment monitoring, and health examination management. We regularly inspect hardware equipment and facilities and provide breastfeeding rooms and health consultation and care services.</p> <p>We offer occupational safety and health education and training for new employees and safety and health education and training for in-service employees, hold health seminar from time to time, and regularly organize fire safety training and exercises to increase employees' awareness and attention to personal safety and physical and psychological health.</p> <p>In 2024, the Company completed 12 safety inspection supervision sessions, and provided a report after each inspection to explain the suggested improvements and continued to track the improvement status. 100% implementation rate of occupational safety and health education and training, 100% implementation rate of general health examination and health management, 100% compliance rate of work environment testing, 0 frequency rate of severe disabling injuries, 0 serious disabling injuries, and 0 fires.</p> <p>(4) The Company has a comprehensive competency training program for managers and employees at all levels, establishes employee learning passports, provides employees with various continuing education resources, professional training and academic degree subsidies, and includes employee training hours achievement rate as one of the performance indicators 1. The 2024 "junior executive motivation camp training course" is for new promoted/new executives to strengthen work management, leadership and cultivation, and team building skills, a total of 23 people have completed the training, and the total number of hours is 368. To strengthen corporate ESG talent training and enhance overall talent development resilience and adaptability, a total of 5 individuals have obtained the "Sustainable Development Basic Aptitude Test" certification, and another 5 have been certified as "Net-Zero Carbon Planning Managers."</p> <p>(5) The Company's products and services comply with industry standards and customer needs, and have passed the ISO 9001 international quality</p>	
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		<p>certification. The Company has formulated customer complaint handling procedures and after-sales service procedures to provide standard service procedures and set up contact persons for each product on the Company’s website. It has also established the “Information Security Policy” and formulated the related measures to implement various information security related tasks. No complaints regarding breaches of customer privacy and losses of customer data were reported in 2024.</p> <p>(6) The Company requires its suppliers to respect employees' human rights, promote occupational health and safety, strictly comply with environmental protection laws, control hazardous substances, effectively manage waste, reduce greenhouse gas emissions, observe business ethics and intellectual property rights, refrain from using conflict minerals, fulfill corporate social responsibility, and strive to provide employees with a friendly working environment where they can work with peace of mind. A total of 17 suppliers underwent paperwork and onsite audits in 2024, and all 17 suppliers passed the audit.</p> <table><tr><td>1. Sustainability standards</td><td>RBA Code of Conduct Supplier code of conduct Regulations and requirements for conflict-free minerals</td></tr><tr><td>2. Voluntary risk assessment and survey</td><td>Periodic supplier evaluation Quality anomalies, delivery accuracy, services, business incidents Violation of laws and sanctions by suppliers</td></tr><tr><td>3. Sustainability risk assessment questionnaire</td><td>Establishment of management system verification survey in accordance with the RBA Code of Conduct Verification items cover human rights and labor protections, hazardous substances and conflict minerals, occupational safety and health, environment and sustainable operation, and supply chain management</td></tr><tr><td>4. Sustainability onsite audit/ improvement measures</td><td>Assess high, medium and low risk suppliers Issuance of self-assessment questionnaires based on the frequency of assessments Onsite audit</td></tr></table>	1. Sustainability standards	RBA Code of Conduct Supplier code of conduct Regulations and requirements for conflict-free minerals	2. Voluntary risk assessment and survey	Periodic supplier evaluation Quality anomalies, delivery accuracy, services, business incidents Violation of laws and sanctions by suppliers	3. Sustainability risk assessment questionnaire	Establishment of management system verification survey in accordance with the RBA Code of Conduct Verification items cover human rights and labor protections, hazardous substances and conflict minerals, occupational safety and health, environment and sustainable operation, and supply chain management	4. Sustainability onsite audit/ improvement measures	Assess high, medium and low risk suppliers Issuance of self-assessment questionnaires based on the frequency of assessments Onsite audit	
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4. Sustainability onsite audit/ improvement measures	Assess high, medium and low risk suppliers Issuance of self-assessment questionnaires based on the frequency of assessments Onsite audit										

					Deficiency Improvement Prevention Report Follow up improvement of audited defects	
				5. Rewards and eliminations	Outstanding suppliers are prioritized for cooperation Stop dealing with substandard suppliers without improvement intentions	
5.Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as corporate social responsibility reports? Do the reports above obtain assurance from a third party verification unit?	✓		The Company prepares the annual ESG report of which the contents were included with reference to Global Reporting Initiative (GRI), AccountAbility Principles and disclosures made with reference to the core disclosures published by the GRI. The contents reflect the execution of economic, social, and environmental issues and a comparison table is attached at the end of the report referencing the contents of the report to the GRI standards. For the purpose of improving information transparency and reliability, the Company appointed a third-party verification agency , the AFNOR Group to verify the report under Type 1 assurance of AA1000:AS v3(2020) and core disclosures outlined in the GRI standards. The assurance report is attached in the Appendix section of this report. The financial information disclosed in this report are sourced from the audited financial statements. Pease refer to the company's website for ESG Report https://esg.topco-global.com/reports_download			None
6. If the Company has established sustainable development principles based on " sustainable development Best Practice Principles for TWSE/TPEX Listed Companies", please describe any deviations between the principles and their implementation: Being a corporate citizen, the Company is dedicated to corporate governance, corporate undertaking, environmental protection, and carrying out community engagement with the goal of giving back to the society and ensuring the sustainable operation of the business. The Company’s business operations are in line the Corporate Social Responsibility Best Practice Principles.						
7. Other important information to facilitate better understanding of the Company’s sustainable development practices: For the company's various sustainable development operations, please refer to the company's website (https://esg.topco-global.com/), press releases and related publications (such as business introduction, annual sustainability report, etc.)						

TWSE-/TPEX-listed company's climate-related information

1. Implementation of climate-related measures

Item	Implementation
1. State the board and management oversight and governance of climate-related risks and opportunities.	1. To effectively respond to climate risks, the Company established the ESG Promotion Committee as our top-level climate change management decision-making center. Each year, senior executives and the ESG team work together to identify major climate risks and opportunities, and comprehensively consider the overall operational strategy planning. The Company’s climate and nature governance and management structure is directly supervised by the board of directors. The Corporate Governance and Nomination Committee and the Risk Management Committee have been established under the Board of Directors. The chairpersons of each committee also report their supervision status and recommendations to the Board of Directors on a quarterly basis.
2. State how the identified climate risks and opportunities will affect the company's business, strategy, and finances (in the short-term, mid-term, and long-term).	2. The Company actively researches and develops solutions, hoping to reduce the operational and financial impacts of climate change and improve organizational climate resilience. The Company defines short term as less than 3 years, medium term as less than 3 to 5 years, and long term as more than 5 years. We assess the potential operational and financial impacts of climate-related risks and opportunities on the Company in order to plan actions in response to climate-related risks and opportunities.
3. State the impact of extreme climate events and transitional actions on finance.	
4. State how climate risk identification, assessment, and management processes are integrated into the entire risk management system.	
5. If scenario analysis is adopted to assess resilience to climate change risks, state the scenarios, parameters, assumptions, and analysis factors used, and major financial impacts caused.	
6. If there is a transition plan to manage climate-related risks, state the content of the plan and the indicators and targets adopted to identify and manage physical and transition risks.	
7. If an internal carbon pricing mechanism is adopted as a planning tool, state the basis for setting such prices.	
8. If climate-related targets are set, state the activities covered, the scope of greenhouse gas emissions, a planned	

2024 identification	Risks and Opportunities	Short-term	Medium-term	Long-term
Risk	Transformation risks	Geopolitical regulations, rising costs of raw materials	Replacing existing products and services with low-carbon products	—
Opportunity	Opportunity	Entering new markets, developing low-carbon products and services/Improving the energy efficiency of customers’ products	—	Enhance corporate reputation

*Physical risk factors were not classified as hotspot for the year.

The Company evaluates the above risks and opportunities, and proposes the following possible

<p>timeline, annual progress, and other information. If carbon offsets or renewable energy certificates (RECs) are adopted to achieve relevant targets, state the sources and quantity of carbon credits to offset carbon emissions or the quantity of RECs used.</p> <p>9. Greenhouse gas inventory and assurance (fill out Table 1-1 additionally)</p>	financial impacts and corresponding strategies:		
	R Risk/O Opportunity	Financial impact -/+	Countermeasures
	R: Regulations related to geopolitics	<ul style="list-style-type: none"> - Sales are restricted - Expansion of overseas base resulted in increase of various investment expenses - Increased investment in professional manpower 	Establish an early warning mechanism for inventory turnovers, assess geopolitical changes, and monitor the current status of the supply chain to strengthen the resilience of the supply chain.
	R: Replacing existing products and services with low-carbon products	<ul style="list-style-type: none"> - High uncertainty in the success of R&D and mass production of new low-carbon products. Customers need to wait for a long time from small-scale trials to large-scale production lines 	Actively display and communicate the options, sources, features, and development potentials of low-carbon products to promote the knowledge of relevant manufacturers and customers on low-carbon products and expand the demand for low-carbon products.
	R: Rising raw material costs	<ul style="list-style-type: none"> - Shortage of supply affects market demand, reduces transaction volume, and reduces revenue 	Actively review the order demand and supply capacity of upstream and downstream to facilitate early communication and planning
	O: Entering new markets	<ul style="list-style-type: none"> + Innovative business model to increase operating revenue 	The new (machinery) business division was established to expand the second-hand equipment trading market.
	O: Develop low-carbon products and services/Improve the energy efficiency of customers' products	<ul style="list-style-type: none"> + Actively promote the recycling and reuse of filter cores, develop corresponding technologies, and maintain the reliability of restored quality to increase sales revenue 	We are committed to bolstering the sustainable competitiveness and ecological design of our products, extending fixture lifespans, fostering cross-industry value-added circular economy practices, minimizing environmental footprints, and advancing SDG 9 to promote inclusive and sustainable industries, driving innovation forward.

	<table><tr><td>O: Enhance corporate reputation</td><td>+ Increase stakeholder trust</td><td>Invest in ESG talent training, support climate and nature initiatives, participate in various sustainable exhibitions to communicate the company philosophy, and adopt WEEL certification for the new office building</td></tr></table>	O: Enhance corporate reputation	+ Increase stakeholder trust	Invest in ESG talent training, support climate and nature initiatives, participate in various sustainable exhibitions to communicate the company philosophy, and adopt WEEL certification for the new office building
O: Enhance corporate reputation	+ Increase stakeholder trust	Invest in ESG talent training, support climate and nature initiatives, participate in various sustainable exhibitions to communicate the company philosophy, and adopt WEEL certification for the new office building		
	<p>3. Flood scenarios are simulated based on sea level rise under global warming scenarios of 1.5°C and 4°C (Climate Central). Drought/water shortage scenarios are simulated using the World Resources Institute’s regional water stress risk scenarios (Water Risk Atlas). The Company’s base is an office building with less reliance on water resources and less impact on water resources;There is no significant physical risk associated with the impact of extreme temperature events and sea level rise on the Company’s operations. However, the Company continues to manage water resources, formulates drought relief measures, set up emergency power generation and water storage towers, and strengthens property insurance management. (Insurance fees for warehouses and office buildings accounted for about 0.018% of total revenue)</p> <p>4. At a climate change risk and opportunity identification review meeting, with the support of senior managers, we conducted operational and financial impact analysis and produced a risk matrix, a prioritized climate risk and opportunity table, and a climate risk/opportunity financial impact analysis table, to indicate that the climate risks serve as the driving force of the Company's efforts in improving operational and financial risks and strategies. Present control reports to the Corporate Governance and Nomination Committee or the Risk Management Committee at least once per quarter.</p> <p>5. Although scenario analysis cannot accurately forecast the future, it allows the Company to better understand how climate changes affect the Company. Transition Risk: Financial Impact Analysis of Green Electricity Procurement – Procuring green electricity is one of the key measures for enterprises to promote sustainable development. However, during the implementation process, its financial impact must be carefully assessed to ensure the feasibility and sustainability of the strategy.</p>			

	Assumptions/Year (green power expenditure/estimated total revenue)	2030	2040	2050
	Scenario 1: • No proactive carbon reduction management measures implemented; increase in green electricity procurement as the sole approach. • Achieve a 4.2% reduction commitment annually. • Estimated annual revenue growth of 10%.	0.0235%	0.0283%	0.0305%
	Scenario 2: • Actively implement carbon reduction management measures to achieve net-zero emissions by 2050. • Starting from 2030, fuel-powered company vehicles will be gradually replaced with electric vehicles, although electricity demand is also expected to increase. • Continuously procure green electricity. • Achieve a 4.2% reduction commitment annually. • Estimated annual revenue growth of 10%.	0.0213%	0.0257%	0.0278%
	6. To achieve net-zero emissions, the Company has formulated a low-carbon transformation plan that will focus on direct emissions from operating activities (scope 1), indirect emissions from energy use (scope 2), and indirect emissions from the value chain (scope 3) reduction. The implementation includes: • Phasing Out Fossil-Fueled Business Vehicles: Considering the growing availability of charging infrastructure and the maturity of the electric vehicle (EV) rental market, the Company plans to gradually replace its fossil-fueled business vehicles with electric alternatives starting in 2030. • Renewable energy utilization: to increase the utilization of renewable energy in a diversified manner by building additional solar energy equipment and signing a power purchase agreement (PPA) for renewable energy.			

	<ul style="list-style-type: none"> •Commitment to R&D of low-carbon products: The goal is to protect the green earth with upstream and downstream partners, and to jointly research/develop low-carbon and high-efficiency environment-friendly raw materials and equipment, and continue to provide comprehensive solutions and services for the industrial green manufacturing transformation. <p>7. The Company's internal carbon price is US\$250 per metric ton of CO₂e. The "Shadow Price Method" is adopted as the optimal stress testing approach to assess the capacity to withstand transition risks. This serves as a reference for managing carbon risks and evaluating the impact of assuming carbon reduction responsibilities. The pricing is based on the recommendations in a survey by economic experts at the COP26 in Glasgow. To further limit warming to 1.5°C, the carbon price in 2030 should be set between US\$50 and US\$250 per ton.</p> <p>8. The Company has approved the setting of the SBT reduction target, with 2022 as the base year, 2030 as the near-term target reduction of 42.5%, and in 2050, the goal is to achieve carbon neutrality and net-zero.</p> <p>The Company has introduced 70,000 kWh of renewable energy since 2023, and will use 140,000 kWh in 2024, and will increase the usage year by year.</p> <p>9. Please refer to 1-1 below.</p>
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1-1 The Company's Greenhouse Gas Inventory and Assurance in the Recent Two Years

1-1-1 Greenhouse Gas Inventory Information

State the greenhouse gas emission volume (tons CO₂e), intensity (tons CO₂e/NT\$ million), and data coverage for the most recent two years.

Please explain the minimum scope of information to be disclosed according to the requirements of the Roadmap for the Sustainable Development of TWSE Listed Companies (for the relevant schedule, please refer to the roadmap website for TWSE/TPEX listed companies: <https://isds.tpex.org.tw>):

1. The individual parent company shall start the inventory check in 2026.
2. The inventory of subsidiaries in the consolidated financial statements should begin in 2027.

In accordance with the Greenhouse Gas Protocol issued by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI), the Company conducts a regular annual inventory of the Company's greenhouse gas emissions and verifies the effectiveness of reduction actions. The greenhouse gas emissions for the most recent two years are described as follows:

Year		2023		2024	
Item (Unit)		Emissions (tons CO ₂ e)	Intensity (tons CO ₂ e/NT\$ million)	Emissions (tons CO ₂ e)	Intensity (tons CO ₂ e/NT\$ million)
The Company	Scope 1	317.90		319.85	
	Scope 2	789.36		792.12	
Total		1,107.26	0.0419	1,111.97	0.0355

1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance in the last 2 years up to the date of publication of the annual report, including the scope of assurance, institutions of assurance, criteria of assurance, and opinions of assurance.

Please explain the minimum assurance coverage according to the Roadmap for the Sustainable Development of TWSE Listed Companies (for the relevant timetable, please refer to the website of the Roadmap for TWSE/TPEX Listed Companies: (<https://isds.tpex.org.tw>)):

1. The stand-alone parent company shall implement the assurance confirmation in 2028.
2. The subsidiaries in the consolidated financial statements should start implementing the assurance from 2029.

The assurance of the Company's greenhouse gas inventory in the last two years is described as follows:

Scope/year of assurance of implementation		2023	2024
The Company	Scope 1	317.9	319.85
	Scope 2	789.36	792.12
	Total	1,107.26	1,111.97
	Accounting for the inventory disclosed in previous Table	100%	100%
Assurance organization		AFNOR	AFNOR
Assurance status		Assurance is conducted in accordance with The Greenhouse Gas Protocol-A Corporate Accounting and Reporting Standard (Revised Edition) by AFNOR Asia Ltd.	Assurance is conducted in accordance with The Greenhouse Gas Protocol-A Corporate Accounting and Reporting Standard (Revised Edition) by Fa-Biao International Assurance Institution.
Assurance/conclusion		Reasonable assurance	Reasonable assurance

1-2 Greenhouse gas reduction goals, strategies and concrete action plans

Describe the greenhouse gas reduction base year and data, reduction goals, strategies, and concrete action plans and achievement of the reduction goals.

Greenhouse gas reduction base year and reduction target

In order to plan the greenhouse gas reduction strategy, the base year is 2022, and the Scope 1 and Scope 2 emissions are 315.57 tons CO₂e and 825.11 tons CO₂e respectively. It is hoped that the following specific actions will be taken to further reduce the base year by 4.2% per year compared with the base year, achieving the target of 42.5% reduction in 2030.

Greenhouse gas reduction strategies and concrete action plans

The Company primarily engages in business sales and provides knowledge-based technical services. As a non-industrial manufacturer, it does not generate wastewater or air pollution. Nevertheless, upholding our responsibility for environmental sustainability, we continue to implement energy conservation and carbon reduction measures at our headquarters building, focusing mainly on electricity, water, and paper savings. Key strategies for achieving net-zero include the following:

- (1) Starting in 2030, it will be gradually replaced by electric official vehicles.
- (2) Green electricity introduction plan: Introduce and use 140,000 kWh of green electricity in 2024 (100% increase compared to 2023), and will increase the use of green electricity in a diversified way year by year.
- (3) Reduce the energy consumption of IT infrastructure: Upgrade old mainframes in an all-round way to improve performance and reduce the energy consumption per computing unit. The establishment of a multi-cloud architecture can improve business flexibility and cost-effectiveness, and effectively reduce the overall energy consumption of the IT environment.
- (4) In order to encourage employees to propose feasible improvement plans or innovative ideas aimed at reducing costs and improving efficiency, a “sustainable innovation proposal system” has been established to motivate all employees and is linked to rewards.

Reduction Target Achievement

	2022 (base year)	2023	2024
Scope 1	315.57	317.90	319.85
Scope 2	825.11	789.36	792.12
Total	1,140.68	1,107.26	1,111.97
Status of Achievement	Intensity	0.0419	0.0355
	Emission amount	-2.9%	-2.5%
	Description	Reduced but not meeting target	Reduced but not meeting target

(VI) Fulfillment of Ethical Corporate Management and Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" :

Assessment Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Summary	
<p>1.Establishment of ethical corporate management policies and programs:</p> <p>(1)Does the company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?</p> <p>(2)Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct</p>	<p>✓</p> <p>✓</p>		<p>(1) The Company has formulated the "Ethical Corporate Management Best Practice Principles" and "Codes of Ethical Conduct" and disclosed the aforesaid principles and policy on the Company's website. The Group's management philosophy is explained in the Company's "Management Policy" and on the website to openly demonstrate its ethical management policy. The Company's corporate governance managerial staff shall report the status of implementation to the Board of Directors and the management team while the Audit Office conducts audits periodically and from time to time and reports the results of the audits. The Company has also prepared the 2023 ESG Report to communicate its efforts and contributions on fulfilling corporate social responsibilities to its stakeholders.</p> <p>(2) The Company's management complies with the provisions of the "Ethical Corporate Management Best Practice Principles". The Company has put in place standard operational procedures to govern business transactions and operational and management policy to govern internal management. These policies and procedures have been uploaded to the employee portal to serve as the code of conduct and education/training of employees. The risk assessment and analysis mechanism of unethical behavior includes:</p> <p>(a) In the annual audit program established according to the outcomes of risk assessment, we have included "legal and regulatory requirements" and "risk of unethical behavior" as factors for risk assessment and have also reported them to the Risk Management Committee on Nov. 1, 2024.</p>	None

Assessment Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Summary	
<p>based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?</p> <p>(3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?</p>	✓		<p>(b) Including “Ethical Corporate Management Best Practice Principles” as part of the annual audit: In September 2024, the Audit Office already audited the “Ethical Corporate Management Best-Practice Principles,” including commitment and implementation, ethical management of business activities, avoidance of conflicts of interest, and the whistle-blower system. Audit conclusions: Currently, no severe violation has been found in the actual implementation of the “Ethical Corporate Management Best Practice Principles” and organizational regulations.</p> <p>(c) At the time of compiling the annual report, the Stock Affair Office will conduct a consolidated review of the status of implementation for the first half of the fiscal year and disclose quantitative statistics in the annual report, on the company’s website and in the prospectus. The aforesaid disclosed statistics is used as the basis for revising the direction of policy implementation and actions and recommendations for formulating the policy for preventing unethical conduct.</p> <p>(3) Under the framework of “Ethical Corporate Management Best Practice Principles” and “Codes of Ethical Conduct”, the Company has formulated management guidelines and specific regulations to for different areas of regulatory compliance including: protection of confidentiality information, preparation of financial statements/internal controls, insider trading, protection of personal information, storage and destroying of documents. Subsidiary companies engaging in environmental protection and food industries have been certified to meet the IOS9001:2015 Quality Management System standards, the occupational health and safety standards and FSSC22000 and ISO22000 Food Safety Management System standards according to the nature of</p>	

Assessment Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Summary	
			<p>business operations, which are conducted in accordance with regulatory requirements.</p> <p>(a) The Company has established the “Whistleblowing Guidelines” to ensure that the “Code of Ethical Conduct” is implemented in practice and provides an email address on the Company’s website for reporting fraud and conduct that is in violation of the Code of Ethical Conduct. Any emails sent to the aforesaid address will be automatically forwarded to the audit manager.</p> <p>(b) The Company has purchased employee honesty insurance covering finance and procurement staff to reduce management risks.</p> <p>(c) Clearly set out the disciplinary actions for those in violation of the code of conduct and rewards for those that reported the incident in the “Guidelines for Employee Reward and Disciplinary Action”.</p> <p>(d) Internal Audit conducts audits in accordance with the annual audit plan approved by the Audit Committee and Board of Directors, and present the audit results and recommendations for improvement to the Audit Committee, Board of Directors and the management team. Revisions to the procedures shall be submitted by the executing unit by in an application form and such revisions may only be made upon approval by the responsible manager and public announcement.</p>	
<p>2. Fulfill operations integrity policy</p> <p>(1) Does the company evaluate business partners’ ethical records and include ethics-related clauses in business contracts?</p>	<p>✓</p> <p>✓</p>		<p>(1) All counterparty to the transactions with the Company are subject to assessment. Each unit is separately responsible for conducting business in accordance with the segregated duties approved by the board. Contracts and the relevant documents shall be submitted to the Legal Department for review and shall be approved by the responsible manager.</p> <p>Specific measures for ethical management include:</p>	None

Assessment Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Summary	
<p>(2) Does the company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?</p> <p>(3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?</p> <p>(4) Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the</p>	<p>✓</p> <p>✓</p>		<p>(a) Commencing from May 2019, new suppliers for the Company’s business operations are required to agree to complying with and sign the Company’s “Statement of Corporate Social Responsibilities” at the time of evaluating the suppliers.</p> <p>(b) When evaluating a new supplier for equipment or the Company’s construction transactions, a signed copy of the “Corporate Social Responsibility Declaration” from the supplier must be obtained.</p> <p>(2) The Audit Committee, Remuneration Committee, Corporate Governance and Nominating Committee, Risk Management Committee and Audit Office are established under the Board of Directors to supervise and audit the status of compliance of ethical corporate management within the scope of their respective responsibilities. The Stock Affair Office is responsible for formulating and supervising the execution of the Ethical Corporate Management Best-Practice Principles and the policy for preventing unethical conduct and shall report to the Board of Directors at least once a year. The implementation status for the 2024 fiscal year was presented at the board meeting held on Dec. 26, 2024.</p> <p>(3) The Legal Affair Office shall consult legal consultants on significant or doubtful cases according to the field of specialty.</p> <p>(4) In an effort to implement ethical corporate management, the Company has established accounting and internal control systems.</p> <p>A.The Accounting Department reviews transaction accounts in accordance with accounting principles and consult with the CPAs for significant or doubtful cases.</p> <p>B.Auditing Office:</p> <p>(a) In the annual audit plan established according to the outcomes of risk assessment, we have included “legal and regulatory requirements” and “risk of unethical behavior” as factors for risk</p>	

Assessment Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Summary	
<p>internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?</p> <p>(5) Does the company regularly hold internal and external educational trainings on operational integrity ?</p>	✓		<p>assessment and have also reported them to the Risk Management Committee on Nov. 1, 2024.</p> <p>(b) Internal audit staff conduct audits periodically and from time to time in accordance with the internal control systems.</p> <p>(c) Included the “Ethical Corporate Management Best Practice Principles” as part of the annual audit. The 2024 “Ethical Corporate Management Audit Report” was issued in September 2024.</p> <p>(d) The establishment or amendment of the internal control system, such as the Internal Control Performance Standards, were consented by the Audit Committee and approved by the BOD.</p> <p>(5) The company promotes its ethical corporate management philosophy, which forms part of the company culture through meetings and activities. The Company also runs the relevant educational training programs periodically and from time to time:</p> <p>(a) New employee training: new employees attend the orientation program on the date of employment commencement with the Company. In the orientation, contents of the “Integrity Letter and Commitment” and “Employment and Confidentiality Agreement” are clearly explained to reinforce the importance of ethical conduct and disciplines required by the Company. A total of 177 attendees receiving a total of 531 hours of training during 2024, representing a training completion rate of 100%.</p> <p>(b) Internal training: training courses on compliance with trade secrets and personal information regulations, Occupational safety and health, food safety and health, health management, sexual harassment prevention have been conducted during 2024 with a total of 6233 attendees receiving a total of 6835 hours of training.</p>	

Assessment Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Summary	
ensure confidentiality? (3) Does the Company adopted measures to protect the whistleblower against inappropriate actions for whistleblowing?				
4.Enhancing information disclosure Does the Company disclosed the contents of its Ethical Management Best Practice Principles and the effectiveness of the relevant activities on its official website or Market Observation Post System?	✓		The Company upholds our management philosophy of “Integrity, Professionalism and Sharing” and made available the “Ethical Management Best Practice Principles”, “Code of Ethical Conduct” and “Whistleblowing Guidelines” on the Company’s intranet and corporate website (www.topco-global.com) for stakeholders’ reference. The Annual Reports (also available on the corporate website and the Market Observation Post System) and ESG Report (https://esg.topco-global.com/) also include the relevant provisions and the results of implementing the Ethical Management Best Practice Principles.	None
5.If the Company has established Ethical Corporate Management Best Practice Principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies", describe any deviations between the principles and their implementation: The Company has formulated the “Ethical Corporate Management Best Practice Principles” and disclosed the said principles on the Company’s website. There is no deviation of the Company’s implementation from the best practice principles.				
6.Other important information that facilitates the understanding of the implementation of ethical corporate management: None.				

(VII)Other material information that can enhance the understanding of the state of the Company’s corporate governance practices: None.

(VIII) Implementation of internal control system

1. Statement of Internal Control System

TOPCO SCIENTIFIC CO., LTD
Statement of Internal Control System

February 27, 2025

Based on the findings of a self-evaluation, TOPCO SCIENTIFIC CO., LTD (TOPCO) states the following with regard to its internal control system during year 2024 :

1. TOPCO's Board of Directors and management are responsible for establishing, operating, and maintaining an adequate internal control system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance, and safeguarding of assets), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and TOPCO takes immediate remedial actions in response to any identified deficiencies.
3. TOPCO evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the "Regulations"). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communications, and (5) monitoring activities. Each component further contains several items. Please refer to the Regulations for details.
4. TOPCO has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Based on the findings of such evaluation, TOPCO believes that, on December 31, 2024, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws and regulations.
6. This Statement is an integral part of TOPCO's Annual Report and Prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. This Statement was passed by the Board of Directors in their meeting held on February 27, 2025, with none of the nine attending directors expressing dissenting opinions, and the remainder all affirmed the content of this Statement.

TOPCO SCIENTIFIC CO., LTD

Chairman : Jeffery Pan

President : Simon Tseng

Charles Lee



2. Companies which CPAs to professionally review the internal control system shall disclose the review report provided by the accountants: None.

(IX) Material resolutions made in the Shareholders' Meeting and the Board of Directors in the most recent year and up to the publication date of this Annual Report :

1. Material resolutions from the 2024 Shareholders' Meeting and Implementation

Status :

Implementation Status of the General Meeting of Shareholders on May 30, 2024

(1)Adoption of the 2023 Financial Statements.

(2)Adoption of the 2023 Earnings Distribution.

Note : 2023 cash distribution of earnings and capital reserve at NT\$10 per share, which has been distributed on July 19 2024.

(3)Amendment of the Articles of “Articles of Incorporation”.

2. Major resolutions of Board meetings :

Date of Meeting	Details of Resolutions
The 6 th meeting, 12th BOD 2024.2.29	<ol style="list-style-type: none"> 1. Discussed the amount and method of distributing the remuneration to employees and directors for 2023. 2. Discussed the 2023 standalone financial statements and consolidated financial statements prepared by the company. 3. Discussed the review of the suitability and independence of the company's CPAs. 4. Discussed the CPA fees for 2023. 5. Discussed the company's 2023 Business Reports. 6. Discussed the distribution of the company's 2023 earnings. 7. Discussed the distribution of the company's capital reserve. 8. Approved the company's 2023 “Review of Internal Control System Effectiveness” and “Statement of Internal Control Systems”. 9. Amendment of the Articles of “Articles of Incorporation”. 10. Amendment of the Articles of “Rules for Board of Directors' Meeting”. 11. Amendment of the Articles of “Rules for Audit Committee”. 12. Discussed the established HSP branch. 13. Discussed the purchase project of mechanical and electrical engineering for the company's Zhouzi Street building. 14. Convened the company's 2024 general shareholders' meeting. 15. Discussed the period of accepting shareholders' proposals and location for the company's 2024 general shareholders' meeting. 16. Discussed the resolutions of the company's Remuneration Committee. 17. Discussed the company applies to the Bank for credit quota, forex and derivatives trading. 18. Discussed the endorsement/guarantee provided by the company to affiliated companies.
The 7 th meeting, 12th BOD 2024.5.2	<ol style="list-style-type: none"> 1. Discussed the replacement of CPAs. 2. Appointment of CPAs for the 2024 fiscal year. 3. Discussed the consolidated financial statements and the independent auditors' review report for the first quarter of 2024. 4. Amendment of the Articles of “Procedures for Acquisition or Disposal of Assets”. 5. Discussion on HSP Branch' plant rental from Shin-Etsu Semiconductor Co., Ltd., Taiwan. 6. Discussion on the purchase of mechanical and electrical engineering for the plant of HSP Branch. 7. Discussed the record date for capital increase due to convertible bonds

Date of Meeting	Details of Resolutions
	<p>into common shares.</p> <p>8. Appointment of senior managers to supervise and control risks in derivatives trading.</p> <p>9. Discussed the company applies to the Bank for credit and financial transaction quota.</p> <p>10. Discussed the endorsement/guarantee provided by the company to affiliated companies</p>
The 8 th meeting, 12th BOD 2024.7.30	<p>1. Discussed the consolidated financial statements and the independent auditors' review report for the second quarter of 2024.</p> <p>2. Discussion on the acquisition of equipment by the subsidiary.</p> <p>3. Discussion on the subsidiary's subscription to the capital increase shares of the grandson company.</p> <p>4. Discussed the donations to the Topco Sports Association.</p> <p>5. Discussion on the proposal of Sustainability Report for 2023.</p> <p>6. Discussed the record date for capital increase due to convertible bonds into common shares.</p> <p>7. Amendment of the Articles of "Corporate Governance Best Practice Principles".</p> <p>8. Discussed the resolutions of the company's Remuneration Committee.</p> <p>9. Discussion on endorsement and guarantee for the project undertaken by ECO Technical Services Co., Ltd.</p> <p>10. Discussed the company applies to the Bank for credit and financial transaction quota.</p> <p>11. Discussed the company applies to banks for an extension of the period for the disbursement of long-term secured loan quotas.</p> <p>12. Discussed the endorsement/guarantee provided by the company to affiliated companies.</p>
The 2 nd extraordinary meeting, 12th BOD 2024.9.13	<p>1. Discussion on the budget increase for the purchase of mechanical and electrical engineering for Zhouzi Street building.</p> <p>2. Discussed the endorsement/guarantee provided by the company to affiliated companies.</p>
The 3 rd extraordinary meeting, 12th BOD 2024.9.18	<p>1. Discuss related-party transactions for the increase purchase of mechanical and electrical engineering for Zhouzi Street building.</p>
The 9 th meeting, 12th BOD 2024.10.30	<p>1. Discussed the consolidated financial statements and the independent auditors' review report for the third quarter of 2024.</p> <p>2. Amendment of the Articles of "General Principles of Pre-approval Non-Assurance Service Policy".</p> <p>3. Discussed the company's derivative trading recognition.</p> <p>4. Amendment of the articles of "Explanatory Notes for Acquisition or Disposal of Assets: Derivative Trading".</p> <p>5. Amendment of the articles of "Corporate Governance Best Practice Principles".</p> <p>6. Amendment of the articles of "Rules for Sustainable Information Management".</p> <p>7. Discussed the record date for capital increase due to convertible bonds</p>

Date of Meeting	Details of Resolutions
	<p>into common shares.</p> <p>8. Discussed the resolutions of the company's Remuneration Committee.</p> <p>9. Discussed the company applies to the Bank for credit and financial transaction quota.</p> <p>10. Discussed the endorsement/guarantee provided by the company to affiliated companies.</p>
<p>The 10th meeting, 12th BOD 2024.12.26</p>	<p>1. Discussed the company's 2025 Business Plan.</p> <p>2. Discussed the company's 2025 Audit Plan.</p> <p>3. Discussed the office rental from affiliated companies.</p> <p>4. Amendment of the Articles of "Auditing Standards".</p> <p>5. Amendment of the Articles of "Procedures for the preparation and verification of the ESG Report".</p> <p>6. Discussed the endorsement/guarantee provided by the company to affiliated companies.</p>
<p>The 11th meeting, 12th BOD 2025.2.27</p>	<p>1. Discussed the amount and method of distributing the remuneration to employees and directors for 2024.</p> <p>2. Discussed the 2024 standalone financial statements and consolidated financial statements prepared by the company.</p> <p>3. Discussed the review of the suitability and independence of the company's CPAs.</p> <p>4. Discussed the CPA fees for 2024.</p> <p>5. Discussed the company's 2024 Business Reports.</p> <p>6. Discussed the distribution of the company's 2024 earnings.</p> <p>7. Approved the company's 2024 "Review of Internal Control System Effectiveness" and "Statement of Internal Control Systems".</p> <p>8. Discussed the resolutions of the company's Remuneration Committee.</p> <p>9. Amendment of the articles of "Articles of Incorporation".</p> <p>10. Amendment of the articles of "Internal control of computer operations".</p> <p>11. Amendment of the articles of "Rules for Remuneration Committee".</p> <p>12. Amendment of the articles of "Corporate Governance Best Practice Principles".</p> <p>13. Amendment of the articles of "Codes of Ethical Conduct".</p> <p>14. Amendment of the articles of "Rules for Performance Review of Board of Directors".</p> <p>15. Convened the company's 2025 general shareholders' meeting.</p> <p>16. Discussed the period of accepting shareholders' proposals and location for the company's 2025 general shareholders' meeting.</p> <p>17. Discussed the record date for capital increase due to convertible bonds into common shares.</p> <p>18. Discussed the formulate to the "Procedures for Loaning of Funds and Provision of Endorsements/Guarantees" of Jia Yi Energy Co., Ltd.</p> <p>19. Discussed the endorsement and guarantee of Jia Yi Energy Co., Ltd.</p> <p>20. Discussed the donations to the Topco Sports Association.</p> <p>21. Discussed the company applies to the Bank for credit quota, forex and derivatives trading.</p> <p>22. Discussed the endorsement/guarantee provided by the company to affiliated companies.</p>

(X) Major contents of any dissenting opinions on record or stated in a written statement made

by Directors or supervisors regarding material resolutions passed by the Board of Directors' Meeting in the most recent year up to the publication date of this report:
None

IV 、Information on CPA fees :

(I) Audit Fee

Accounting Firm	Name of CPA	CPA's Audit Period	Audit fee	Non-audit fee	Total	Remark
KPMG	Kuan-Ying Kuo	Jan, 1, 2024~ Dec. 31, 2024	8,040	1,810	9,850	Non-audit fee includes tax compliance audit, services of transfer pricing, country-by-country reporting, and tax consulting
	Keng-Chia Huang	Jan, 1, 2024~ Dec. 31, 2024				

(II) Replaced the accounting firm and the audit fees paid to the new accounting firm was less than the payment of previous year: Not applicable.

(III) Audit fees reduced more than 10% year over year : None.

V 、Information on replacement of CPAs: Not Applicable

Due to the internal rotation system of KPMG Taiwan, the original CPAs, Kuan-Yin Kuo and Szu-Chuan Chien, were replaced with CPAs Kuan-Ying Kuo and Keng-Chia Huang of KPMG Taiwan as of Q1 2024.

VI 、The Company's Chairman, President or managers in charge of finance or accounting has been under current accounting firm or its affiliates' employment in 2024: None

VII 、The Situation of equity transfer or changes to equity pledge of Directors, managers or shareholders holding more than 10% of Company shares in the most recent year (or initial date of a manager's term of service) up to the publication date of this report :

Please refer to the website link

https://mops.twse.com.tw/mops/#/web/query6_1

VIII 、Information of relationships between Top 10 shareholders are related parties :

Unit:shares; %, May.2,2025

Name	Shares held		Shares held by spouse or underage children		Total shares held in the name of other persons		Familial relationships between top 10 shareholders who are either related parties, spouses, or relatives within the second degree of kinship, his/her/its title (or name) and relationships		Note
	Shares	Shareholding percentage	Shares	Shareholding percentage	Shares	Shareholding percentage	Title (or Name)	Relationships	
Gaoyi Investment Co., Ltd.	7,554,659	3.95%	0	0	-	-	-	-	
Jia Pin Investment Development Company Limited	7,181,043	3.75%	0	0	-	-	-	-	
Jinyan Xie	6,085,000	3.18%	0	0	-	-	-	-	
Bank of Taiwan in custody for Yuanta Taiwan High Dividend Low Volatility ETF	6,025,678	3.15%	0	0	-	-	-	-	
Standard Chartered Trust Fidelity Puritan Trust: Fidelity Penny Stock Fund	5,738,593	3.00%	0	0	-	-	-	-	
Shin Kong Life Insurance Co., Ltd.	4,737,705	2.48%	0	0	-	-	-	-	
CTBC Bank in custody for Topco Scientific Employee Stock Ownership Trust	3,583,587	1.87%	0	0	-	-	-	-	
Taipei Fubon Commercial Bank Co., Ltd.	2,967,736	1.55%			-	-	-	-	
Yingfang Zhang	2,956,892	1.55%	0	0	-	-	-	-	
Citibank in custody for Norges Bank	2,472,859	1.29%	0	0	-	-	-	-	

IV 、 Number of shares held and combined shareholdings percentage in the same investment business by the Company, the Company's Directors, Managers, and companies directly or indirectly controlled by the Company :

Unit:shares; %, Dec.31,2024

Equity investment (note)	Directly controlled by company		Directly or indirectly controlled by the company and the directors, supervisors, president, vice presidents and branch chiefs		Total investment	
	Amount of shares	Share of stake %	Amount of shares	Share of stake %	Amount of shares	Share of stake %
Topco Quartz Co.,Ltd	12,800	40%	-	-	12,800	40%
Fortune Co.,Ltd	14,960,000	24.9%	40,000	0.1%	15,000,000	25%
Topco Group Ltd	22,431,941	100%	-	-	22,431,941	100%
Topsience(s) Pte. Ltd	6,577,250	100%	-	-	6,577,250	100%
TOPCO SCIENTIFIC USA CORP	10,200	100%	-	-	10,200	100%
Japan Topco Scientific Co.,Ltd.	49,500	100%	-	-	49,500	100%
YONG YUE ADVANCED ENGINEERING SDN. BHD.	2,859,935	100%			2,859,935	100%
Topco International Investment Co., Ltd.	72,770,539	100%	-	-	72,770,539	100%
Topco Investment Co., Ltd.	19,008,761	100%	-	-	19,008,761	100%
Taiwan E&M System,INC.	42,500,000	100%	-	-	42,500,000	100%
ECO Technical Services Co., Ltd.	53,829,145	100%	-	-	53,829,145	100%
Anyong Biotechnology, INC.	20,000,000	100%	-	-	20,000,000	100%
Anyong Freshmart, INC.	24,500,000	100%	-	-	24,500,000	100%
Yilan Anyong Lohas Co., Ltd.	18,500,000	100%	-	-	18,500,000	100%
Jia Yi Energy Co., Ltd.	25,923,952	83.8%	5,005,362	16.2%	30,929,314	100%
Unitech New Energy Engineering Co., Ltd	776,000	77.6%	10,000	1%	786,000	78.6%
XPORTS SPORTS CO., LTD.	18,500,000	100%	-	-	18,500,000	100%
Winfull Bio-tech Co., Ltd.	3,500,000	39%	-	-	3,500,000	39%

Note : Only equity method investments are listed.

Chapter 3 Capital Overview

I. Capital and Shares

(I) Source of Share Capital

Unit : Thousand Shares; NT\$ Thousand

Month/ year	Par value (NT\$)	Authorized capital		Paid-in capital		Note			
		Shares	Amount	Shares	Amount	Source of capital		Capital increase by assets other than cash	Others
02.1990	10	500	5,000	500	5,000	Establishment capital	5,000	None	-
04.1993	10	1,600	16,000	1,600	16,000	Capital increase by cash	11,000	None	-
03.1995	10	3,600	36,000	3,600	36,000	Capital increase by cash	20,000	None	-
03.1996	10	6,000	60,000	6,000	60,000	Capital increase by cash	24,000	None	-
08.1997	10	13,200	132,000	13,200	132,000	Capital increase by cash Capitalization of Retained Earnings	60,000 12,000	None	-
05.1998	10	22,800	228,000	22,800	228,000	Capital increase by cash Capitalization of Retained Earnings	56,400 39,600	None	May.12,1998 Tai-Cai-Zheng-Yi-Zi No. 37796
08.1999	10	24,510	245,100	24,510	245,100	Capitalization of Retained Earnings	17,100	None	Aug.10,1999 Tai-Cai-Zheng-Yi-Zi No. 73773
06.2000	10	43,000	430,000	30,112	301,120	Capitalization of Retained Earnings	56,020	None	Jun.17,2000 Tai-Cai-Zheng-Yi-Zi No. 52484
05.2001	10	88,000	880,000	51,807	518,068	Capital increase by cash Capitalization of Retained Earnings	75,000 141,948	None	Apr.19,2001 Tai-Cai-Zheng-Yi-Zi No. 118324 May.17,2001 Tai-Cai-Zheng-Yi-Zi No. 130613
06.2002	10	88,000	880,000	67,945	679,446	Capitalization of Retained Earnings	161,378	None	Jun.4,2002 Tai-Cai-Zheng-Yi-Zi No. 09100130324
07.2003	10	100,000	1,000,000	77,598	775,980	Capitalization of Retained Earnings	96,534	None	July.17,2003 Tai-Cai-Zheng-Yi-Zi No. 09200132292
06.2004	10	120,000	1,200,000	91,238	912,377	Capitalization of Retained Earnings	136,397	None	Jun.30,2004 Tai-Cai-Zheng-Yi-Zi No. 0930128858
07.2005	10	130,000	1,300,000	102,361	1,023,615	Capitalization of Retained Earnings	111,238	None	July.11,2005 Tai-Cai-Zheng-Yi-Zi No. 0940127935
09.2005	10	130,000	1,300,000	111,646	1,116,455	Conversion of convertible bond	92,841	None	Sep.6,2005 Jing-Shou-Shang-Zi No. 09401170830
10.2005	10	130,000	1,300,000	114,681	1,146,813	Conversion of convertible bond	30,358	None	Oct.24,2005 Jing-Shou-Shang-Zi No. 09401210470
02.2006	10	130,000	1,300,000	115,351	1,153,506	Conversion of convertible bond	6,693	None	Jing-Shou-Shang-Zi No. 09501023940 dated Feb.15,2006

Month/ year	Par value (NT\$)	Authorized capital		Paid-in capital		Note			
		Shares	Amount	Shares	Amount	Source of capital		Capital increase by assets other than cash	Others
04.2006	10	130,000	1,300,000	115,446	1,154,463	Conversion of convertible bond	956	None	Apr.25,2006 Jing-Shou-Shang-Zi No. 09501074850
07.2006	10	130,000	1,300,000	123,019	1,230,186	Capitalization of Retained Earnings	75,723	None	July.11,2006 Jing-Guan-Zheng-Yi-Zi No. 0950129737
07.2007	10	160,000	1,600,000	133,630	1,336,299	Capitalization of Retained Earnings Capitalization by Capital reserve	44,604 61,509	None	July.13,2007 Jing-Guan-Zheng-Yi-Zi No. 0960036201
07.2008	10	160,000	1,600,000	140,139	1,401,388	Capitalization of Retained Earnings	65,089	None	July.1,2008 Jing-Guan-Zheng-Yi-Zi No. 0970032602
07.2009	10	160,000	1,600,000	142,942	1,429,415	Capitalization of Retained Earnings	28,028	None	July.1,2009 Jing-Guan-Zheng-Fa-Zi No. 0980032782
06.2010	10	160,000	1,600,000	145,800	1,458,004	Capitalization of Retained Earnings	28,588	None	Jun.30,2010 Jing-Guan-Zheng-Fa-Zi No. 0990033701
06.2011	10	160,000	1,600,000	148,716	1,487,164	Capitalization of Retained Earnings	29,160	None	Jun.29,2011 Jing-Guan-Zheng-Fa-Zi No. 1000029920
04.2012	10	160,000	1,600,000	148,824	1,488,244	Capitalization by employee stock options	1,080	None	Apr.3,2012 Jing-Shou-Shang-Zi No. 10101058630
07.2012	10	160,000	1,600,000	149,130	1,491,304	Capitalization by employee stock options	3,060	None	July.19,2012 Jing-Shou-Shang-Zi No. 10101143750
10.2012	10	160,000	1,600,000	149,135	1,491,354	Capitalization by employee stock options	50	None	Oct.16,2012 Jing-Shou-Shang-Zi No. 10101213090
04.2013	10	160,000	1,600,000	149,595	1,495,954	Capitalization by employee stock options	4,600	None	Apr.19,2013 Jing-Shou-Shang-Zi No. 10201071000
06.2013	10	160,000	1,600,000	149,904	1,499,044	Capitalization by employee stock options	3,090	None	July.4,2013 Jing-Shou-Shang-Zi No. 10201127850
06.2013	10	160,000	1,600,000	152,887	1,528,871	Capitalization of Retained Earnings	29,827	None	Jun.28,2013 Jing-Guan-Zheng-Fa-Zi No. 1020025171
10.2013	10	160,000	1,600,000	153,679	1,536,791	Capitalization by employee stock options	7,920	None	Oct.14,2013 Jing-Shou-Shang-Zi No. 10201210870
01.2014	10	160,000	1,600,000	154,813	1,548,131	Capitalization by employee stock options	11,340	None	Jan.8,2014 Jing-Shou-Shang-Zi No. 10301003200
07.2014	10	160,000	1,600,000	157,909	1,579,094	Capitalization of Retained Earnings	30,963	None	July.30,2014 Jing-Guan-Zheng-Fa-Zi No. 1030028949
07.2015	10	170,000	1,700,000	162,647	1,626,466	Capitalization of Retained Earnings	47,373	None	July.22,2015 Jing-Guan-Zheng-Fa-Zi No. 1040027596
07.2016	10	170,000	1,700,000	165,900	1,658,996	Capitalization of Retained Earnings	32,529	None	Effective registration from FSC on Jul 11, 2016
10.2017	10	190,000	1,900,000	181,700	1,816,996	Capital increase by cash	158,000	None	Oct 26, 2017 Jin-Guan-Zheng-Fa-Zi No. 1060039801

Month/ year	Par value (NT\$)	Authorized capital		Paid-in capital		Note			
		Shares	Amount	Shares	Amount	Source of capital		Capital increase by assets other than cash	Others
06.2019	10	200,000	2,000,000	181,700	1,816,996	-	-	None	Jun.27,2019 Jing-Shou-Shang-Zi No. 10801075580
07.2020	10	220,000	2,200,000	181,700	1,816,996	-	-	None	July.21,2020 Jing-Shou-Shang-Zi No. 10901128180
08.2023	10	220,000	2,200,000	188,700	1,886,996	Capital increase by cash	70,000	None	Aug.22,2023 Jing-Shou-Shang-Zi No. 11230157510
05.2024	10	220,000	2,200,000	188,700	1,887,001	Conversion of convertible bond	5	None	May 27,2024 Jing-Shou-Shang-Zi No. 11330083680
09.2024	10	220,000	2,200,000	188,764	1,887,641	Conversion of convertible bond	640	None	Sep. 3,2024 Jing-Shou-Shang-Zi No. 11330149800
11.2024	10	220,000	2,200,000	190,554	1,905,541	Conversion of convertible bond	17,900	None	Nov. 25,2024 Jing-Shou-Shang-Zi No. 11330203090
03.2025	10	220,000	2,200,000	191,039	1,910,393	Conversion of convertible bond	4,852	None	Mar. 13,2025 Jing-Shou-Shang-Zi No. 11430033840

May 2, 2025

Share type	Authorized capital			Note
	Outstanding Shares	Unissued Shares	Total	
Common Stock	191,039,309	28,960,691	220,000,000	

Note 1 : Reserve NT\$100 million for issuance of employee stock options ◦

Note 2 : information of Shelf registration: Not applicable ◦

(II) List of Major Shareholders (Top 10 shareholders who own the most shares) :

May 2, 2025

Names of major shareholders	Shares	Number of shares held	Shareholding percentage (%)
Gaoyi Investment Co., Ltd.		7,554,659	3.95%
Jia Pin Investment Development Company Limited		7,181,043	3.75%
Jinyan Xie		6,085,000	3.18%
Bank of Taiwan in custody for Yuanta Taiwan High Dividend Low Volatility ETF		6,025,678	3.15%
Standard Chartered Trust Fidelity Puritan Trust: Fidelity Penny Stock Fund		5,738,593	3.00%
Shin Kong Life Insurance Co., Ltd.		4,737,705	2.48%
CTBC Bank in custody for Topco Scientific Employee Stock Ownership Trust		3,583,587	1.87%
Taipei Fubon Commercial Bank Co., Ltd.		2,967,736	1.55%
Yingfang Zhang		2,956,892	1.55%
Citibank in custody for Norges Bank		2,472,859	1.29%

(III) Dividend Policy and Implementation :

1、The dividend policy set forth in Article 20, 20-1 of the Articles of Incorporation

The Company shall set aside no less than 4% of its earnings for the period, if any, as employees' profit-sharing bonus and not more than 3% of its earnings as remuneration to Directors. Notwithstanding the forgoing, the Company shall reserve a sufficient amount of earnings to offset its accumulated losses. Where remuneration to employees are distributed by way of shares or cash, employees of affiliated enterprises of the Company may be eligible provided that certain criteria are met that approved by the Board of Directors.

The Company's earnings for the current fiscal year shall be distributed in the following order: (1) first to be offset against losses; (2) 10 percent of the remaining earnings, if any, be set aside as legal reserve; (3) allocate or reverse special reserve in accordance with regulations or rules of the governing authority; (4) the sum of any balance remaining and accumulated retained earnings for the current period will be accumulated earnings available for distribution. The aforesaid accumulated earnings may be distributed in the manner set out in the proposal put forward by the Board of Directors and upon adoption at the meeting of shareholders.

The Company authorizes the Board of Directors to resolve by a majority vote at a Board of Directors' meeting attended by at least two-thirds of the total number of directors to distribute dividends or bonuses in whole or in part by way of cash or to distribute the legal reserve and capital reserve in whole or in part and report such distributions to the shareholders' meeting.

The Company may distribute dividends by way of cash or issuance of new shares, taking into account earnings for the current fiscal year and the overall industry environment, provided that the total value of cash dividends distributed shall be at least 10 percent of the total value of dividends distributed and any shortfall may be

supplemented by the issuance of new shares upon resolution at a shareholders' meeting pursuant to the Company Act.

When allocating the net profit for each fiscal year, the Company shall deduct losses from the prior years and set aside legal capital reserve, and then set aside or reverse a special reserve in accordance with laws and regulation. Distribution amount shall not be lower than 50% of the remainder of the said profit.

- 2、The proposal for the distribution of 2024 earnings was passed at the meeting of the Board of Directors on Feb.27,2025. The proposal for a cash dividend of NT\$ 12per share will be reported at the annual shareholders' meeting, and the Board of Directors shall set a distribution record date after annual shareholders' meeting.
- 3、Major changes expected in the dividend policy：None.

(IV) Impact from current dividend distribution on Company's operating performance and EPS：Not Applicable.

(V) Compensation for employees,Directors and Supervisors：

- 1、The dividend policy set forth in Article 20, 20-1 of the Articles of Incorporation.
The Company shall set aside no less than 4% of its earnings for the period, if any, as employees' profit-sharing bonus and not more than 3% of its earnings as remuneration to Directors. Notwithstanding the forgoing, the Company shall reserve a sufficient amount of earnings to offset its accumulated losses. Where remuneration to employees are distributed by way of shares or cash, employees of affiliated enterprises of the Company may be eligible provided that certain criteria are met that approved by the Board of Directors.
- 2、The basis for estimating the amount of employees and directors compensation, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period.
The remunerations estimated to employees and directors for the year 2024 were based on the net profit before tax, excluding the remuneration to employees and directors of each period, multiplied by the percentage of remuneration to employees and directors as specified in the Company's article. These remunerations were expensed under operating expenses. The number of shares to be distributed was calculated based on the closing price of the Company's ordinary shares, one day before the date of the Board Meeting. Related information would be available at the Market Observation Post System website. If the actual amounts subsequently paid differ from the above estimated amounts, the differences will be recorded in the year paid as a change in accounting estimate.
- 3、Distribution of compensation passed by the Board of Directors：
 - (1) As resolved by the Board Meeting on Feb 27, 2025, the remuneration to employees and directors were NT\$376,891,000 and NT\$94,223,000 respectively. There is no difference between the distributed and estimated amounts this year.
 - (2) Amount of employee compensation distributed in the form of stock and as a percentage of the after-tax profit provided in this year's standalone financial statements and total employee compensation combined:
No stock compensation proposed for employees was distributed in 2024.
- 4、Actual distribution of employee bonus and remuneration of board directors and supervisors in the previous year (including dividend shares, amount and stock price), discrepancies if any from the amount of employees' bonus and directors and supervisors' remuneration previously recognized, and the causes and treatments for

the discrepancies :

Remuneration to employees and directors for the year 2023 was NT\$306,198,000 and NT\$76,549,000 respectively, there was no difference between the estimated amount and the actual amount distributed.

(VI) Repurchase of shares by the Company : None

II 、Corporate bond processing :

(I) Corporate bond processing

Type of corporate bonds		Second domestic unsecured convertible bond
Issue (transaction) date		June 29, 2023
Face value		NT\$100,000(each)
Place of issue and trading		Taipei Exchange
Issue price		101% of par value
Issue amount		NT\$ 1 billion
Coupon rate		0%
Term		3 years, June 29, 2023~June 29, 2026
Guarantor		Not Applicable
Trustee		Trust Department of China Trust Commercial Bank
Underwriter		Grand Fortune Securities Co.,Ltd.
Attesting lawyer		Anzon Attorneys at Law: Rebecca Chang
Attesting CPA		KPMG Certificated Public Accountants Yiu-Kwan Au & Szu-Chuan Chien
Redemption method		Except for conversion or redemption according to the conversion method, the bond will be repaid in cash according to the face value when it matures.
Unredeemed balance		NT\$492.7 million
Conditions for redemption or early redemption		Reference the company's "Rules of second domestic unsecured convertible bond"
Restrictive covenants		None
Name of rating agency, date and result of rating		Not Applicable
Other rights	The monetary amount of common shares, global depositary receipts, or other securities already converted, exchanged, or subscribed up to the annual report publication date.	The bond conversion amount is NT\$507,300,000 as of Mar. 31, 2025, 3,208,708 common shares have been converted.
	The issuance and conversion, exchange, or subscription rules	
The possible dilution of shareholding and influence on shareholder equity caused by the issuance and conversion,		If all the remaining corporate bonds are converted into ordinary shares based on the current conversion price, the company will need

exchange, or subscription rules and the terms of issuance.	to issue an additional 2,559,480 common shares, with a capital dilution rate of 1%, which will have a limited impact on shareholders' equity.
Name of the custodian institution of the exchangeable underlyings	Not Applicable

(II) Convertible Corporate Bonds

Type of corporate bonds		Second domestic unsecured convertible bond		
Fiscal year		2023	2024	As of May 2, 2025
Market price of convertible corporate bonds	Maximum	110.75	169.00	158.00
	Minimum	104.10	108.55	117.10
	Average	106.94	132.52	147.76
Conversion price		200 元	200 元	192.5
Issue (transaction) date and conversion price at issuance		Issue date : June 29, 2023 Conversion price : NT\$200		
Method for performance of conversion obligations		issue common shares		

III 、 Handling of preferred shares : None

IV 、 Handling of overseas depositary receipts : None

V 、 Employee stock option handling status : None

VI 、 Issuance of new shares in connection with the merger or acquisition of other corporations : None

VII 、 Implementation status of fund application : None

Chapter 4 Operational Highlights

I 、Business activities :

(I) Scope of business :

1. Major business activities :

Our services include the distribution of precision materials, processing equipment, and components required in the semiconductor, LCD, and LED industries. We have strived to meet customers' needs through consistent good quality, speedy delivery, and prompt service in the fields of high-tech. We have also penetrated into the environmental protection and alternative energy sectors, and now offer services in water treatment, clean rooms, and solar energy power station construction. Our ultimate goal is to build a comprehensive supply chain and service network that covers design, deployment, operation, maintenance and waste recycling. In recent years, we have actively deployed the health care business, and utilized our high-tech expertise in the livelihood industry with considerable progress in various areas, i.e. food, healthcare, sports, and recreation.

2. Percentage of sales revenue :

Product Category	Sales amount (NT\$ thousands)	Percentage(%)
Semiconductor Related Products	47,568,727	83.5
Environmental Engineering and Facility Systems	6,022,487	10.6
LED/LCD/Electronics Applications Related Materials	1,727,319	3.0
Green energy and circular economy	1,005,407	1.7
Other	673,173	1.2
Total	56,997,113	100.0

3. Product Category :

Product Category	Type of Products
Semiconductor Related Products	Wafer, Reclaim Wafer, Solar Wafer, Photoresist, Thick Film Photoresist (I-Line), Hexamethyldisilazane, Mask, Blanks, Pellicle, Quartz Crucible, CVD/Etching Process Related Chemical and Special Gas, CMP Slurry, Shipping Box and FOSB, FOUP, Vertical/ Horizontal Tube Cleaner, Spin-Etcher, Epoxy Mold Compound for IC Packing, EMC, Thermal Interface Material, Equipment Installation and Maintenance Service, IC Foundry Service, Mass Flow Controller, Spare parts, Vacuum Pump Repair.
LED/LCD/Electronics Applications Related Materials	Insulating Materials/ Conductive Materials, Conductive connection material, Fiber, Silicone resin, Fluoro Elastomers, Fluoro thermoplastics, Mask/Glass Coating, B4C, Rare Earth Oxides(REO), High temperature printing/ Spray ink, LCD Related Equipment & Service, Automatic Fire Extinguishing System, Low Dk/Df Material for High Frequency PCB/FPC Related Application, BMI Resin (SLK-series), Quartz Cloth.
Environmental Engineering and Facility Systems	Industrial Water & Wastewater Treatment Engineering, MEP & C/R Engineering, Environmental Public Works, Waste Application and Treatment Service, Equipment &

Product Category	Type of Products
	Chemicals, Calcium Fluoride (CaF ₂) Sludge, Waste Solvents Cleaning and Shipping
Green energy and circular economy	Provide sales and services of solar related materials and products, including Solar Conductive Silver Paste, Diamond Wire, Quartz Crucible, Solar Charge Controller, Services of Solar System Integration Engineering, Remote Monitoring System, Operation Maintenance. We strive to provide environmental impact assessment, monitoring, and design services for offshore wind power and manufacture artificial fluorite products by recycling.
Fresh food, healthcare product and distribution channels	Semiconductor-grade aquatic processing; Agricultural and animal products, Herbal soups and Ready-to-eat products; Functional food; Tourism factory; Fusion dining; Sports center and customized products that meet market demands.

4. New products (services) under development :

- (1) Development of own-brands of materials required for advanced manufacturing processes.
- (2) Constructing a maintenance and trading platform for used semiconductor equipment.
- (3) Establish professional cleaning technical capabilities for semiconductor parts and provide customers with one-stop service.
- (4) Expand the international market of Foundry Service and cooperate with professional wafer outsourcing manufacturers.
- (5) Establish a special panel to integrate environmental impact assessment, wastewater engineering, green energy, and recycling-related businesses to practically implement business opportunities in the eco-efficient economy.
- (6) Established a multinational construction integration team to develop overseas wastewater and electromechanical engineering businesses in Singapore, Malaysia, and Vietnam.

(II) Industry highlights :

1. Semiconductor

(1) Current industry status and development:

According to data from the World Semiconductor Trade Statistics (WSTS), global semiconductor sales reached US\$627.6 billion in 2024, representing a 19.1% increase compared to 2023. This growth was mainly driven by rising demand for advanced manufacturing processes, fueled by the accelerated adoption of artificial intelligence (AI) applications in data centers and edge computing. The strong growth of the global semiconductor market also reflects the rapid rebound of the industry after the downturn in 2023. According to statistics from the Industry, Science and Technology International Strategy Center (ISTI) of the Industrial Technology Research Institute (ITRI), Taiwan's IC industry output reached NT\$5.3151 trillion in 2024, representing a 22.4% growth compared to 2023. The output value of the IC manufacturing industry reached NT\$3.4195 trillion in 2024, representing a 28.4% increase compared to 2023. Among them, wafer foundry output was NT\$3.2438 trillion, growing by 30.1% year-on-year, while memory and other manufacturing totaled NT\$175.7 billion, reflecting a 3.3% increase from 2023.

Domestic IC Industry Production from 2022 to 2024

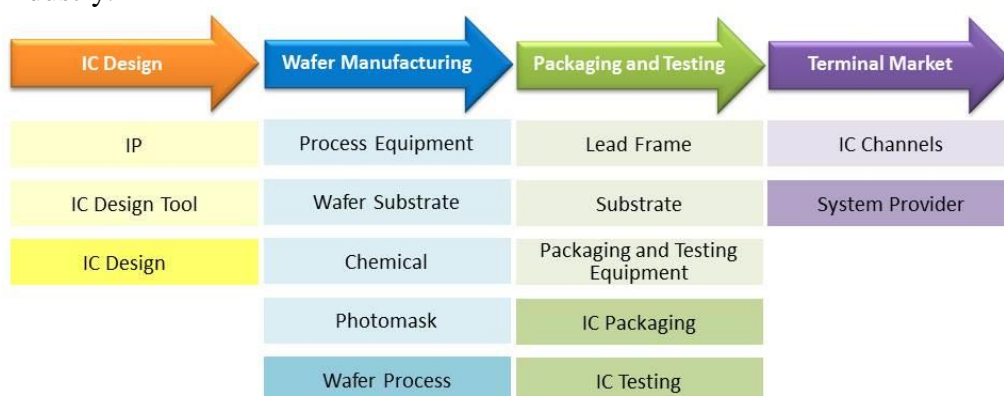
Unit: NT\$ billion

Item	2022		2023		2024	
	Production	Annual Growth	Production	Annual Growth	Production	Annual Growth
IC design	12,320	1.4%	10,965	-11.0%	12,721	16.0%
IC manufacturing	29,203	31.0%	26,626	-8.8%	34,195	28.4%
Foundry	26,847	38.3%	24,925	-7.2%	32,438	30.1%
Memory manufacturing	2,356	-18.2%	1,701	-27.8%	1,757	3.3%
IC packaging	4,660	7.0%	3,931	-15.6%	4,233	7.7%
IC testing	2,187	7.7%	1,906	-12.8%	2,002	5.0%
IC Industry Production	48,370	18.5%	43,428	-10.2%	53,151	22.4%

Data source: TSIA, IEK, ITRI (2025/02)

China is already the world's largest semiconductor market. In 2023, China's semiconductor market reached US\$155.3 billion, accounting for 27.1% of the global market; in 2024, the market size was US\$186.5 billion, with a year-on-year growth of 20.1%, accounting for 30.1% of the global market. The growth was mainly attributable to the explosive demand in the fields of artificial intelligence and high-performance computing (HPC), as well as the promotion of emerging consumer electronic products such as smart wearable devices and smart homes.

- (2) The relationships among the upper, middle, and down streams of the supply chain: The upper, middle, and down stream industries of Taiwan's semiconductor industries can be divided into design, foundry, and packaging and test. Vertical division of labor is the characteristic of Taiwan's semiconductor industries. Due to the rapidly changing macro environment and the ongoing increase in the investment in capital equipment, Taiwan's unique division of labor system has facilitated the present global competitive leadership of Taiwan's semiconductor industries. The efficiency and flexibility that catch global attention and earn worldwide praise of this professional division of labor system have assured the leading performance of Taiwan's IC industries across the globe. However, this strength also exposes the over-centralization vulnerable to global economic depression of Taiwan's IC industry.



Data source: Invest in Taiwan, Ministry of Economic Affairs

- (3) Development trends and competitions:

Technological progress and applications are important driving forces for the development of the semiconductor industry. The manufacturing process under 2 nanometers is close to the physical limit, and advanced packaging technologies (such as FOPLP, 2.5D packaging and 3D packaging) have become the key to technological breakthroughs. These technologies improve the performance and efficiency of chips and promote the innovation and development of the industry. With the rising demand for Artificial Intelligence (AI) and High-Performance Computing (HPC) – particularly in areas such as cloud data processing, intelligent and electric vehicles, and wireless communications – these fields are not only driving the advancement of semiconductor technology, but also contributing to the sustained growth of the semiconductor industry.

2. Current status and development of the LED industry

TrendForce's analysis indicated that the demand and supply of the LED industry will be significantly divided due to technological innovation and application expansion.

Although the output value of the general lighting market declined to about US\$56 billion in 2024 due to the downturn in Europe, America, and China, smart lighting and horticultural lighting are growing against the trend and are expected to rebound to US\$56.6 billion in 2025; at the same time, the outdoor LED display market in Europe and the United States, with the promotion of the Asian market, will reach nearly US\$8 billion in 2025.

Despite the challenges of de-Chinese supply chain and intensified price competition, with the demand for secondary replacement and high value-added applications driven by digital transformation, the overall market is expected to maintain steady growth.

With the advancement of technology and sustainable development, manufacturers are transforming and developing solutions that are both energy efficient and innovative. Examples are the two-color ambient lighting of the Hyundai IONIQ 6 and the prototype of Micro LED AR glasses released by Meta/Google. In addition, commercial and industrial sectors (such as automated energy-efficient warehousing) and infrastructure developments are also catalysts for market growth.

3. LCD industry

According to ITRI statistics, the output value of Taiwan's display panel industry in 2024 reached NT\$791.8 billion, representing a 2% annual growth. The global display panel industry scale in 2024 is US\$118 billion, with a year-on-year increase of 9.8%, of which LCD accounts for US\$78.7 billion, OLED for US\$39.3 billion, and Micro LED approximately US\$40 million. LCD remains the dominant display technology at present, mainly applied in TVs, monitors, notebooks, and automotive displays. However, its development in the mid-to-high-end market is being impacted by the expansion of OLED. As a result, the overall production value of LCD is expected to stagnate.

Meanwhile, Chinese panel manufacturers have already taken a leading position across various application fields.

4. Current status and development of Environmental Engineering and Facility Systems

Benefiting from the demand for production capacity of AI's supply chains and the biotechnology industry, some businesses in the semiconductor, electronics, and biopharmaceutical industries still have plans to expand plants and replace existing processes, thus leading to demand for water treatment and clean room construction. In China, to develop the semiconductor industry, also have investment plans. Thus, the demand for relevant electromechanical, water treatment, and environmental protection engineering as well as chemicals will grow.

(III) Technology and R&D overview :

1. To enhance material R&D capabilities, the Group established the Optoelectronic and Thermal Materials Laboratory in 2010, focusing on the development of materials for

applications in optoelectronics, thermal conductivity, and heat dissipation. In 2012, Topchem Materials was founded to carry out new material development and production. The R&D results have been outstanding, with successful development of products such as optical IR inks, anti-glare and hard coating surface treatments, LED encapsulation adhesives, and resistor protection pastes, which have achieved commercialization and international market sales.

2. Parallelize independent research and development with strategic introduction, focusing on 5G/6G communication Primer, high-frequency substrate and FOPLP materials; technological breakthroughs in high thermal conductivity, shockproof, heat dissipation potting materials, and low warpage packaging materials. The Group's R&D center has completed the infrastructure and the construction of small-scale coating equipment, achieving the goal of autonomous product sampling; the technology center has successfully introduced laser engraving equipment and put it into mass production, continuously strengthening its technical capabilities in the field of advanced semiconductor materials.
3. Continue to strengthen the layout and expansion, in response to the huge development potential of the advanced semiconductor packaging market, assist the leading manufacturers to develop the application materials and overall solutions required for the temporary adhesive tape. We have also been active in the development of innovative materials for the semiconductor encapsulation process, including the successful development of formulas for anti-static fluorine-free and silicone-free pressure-sensitive adhesive, the adhesive technology for mass transfer in the silicone system, and the breakthrough high-temperature pressure-sensitive adhesive materials, in order to provide the industry's high-performance packaging solutions. At the same time, the Company ensures its technological advantages through systematic patent deployment.
4. In response to the development potential of the Mini-LED and Micro-LED application markets, we will continue to strengthen our market layout plans and expansion and assist our suppliers and customers in developing applied materials and overall solutions required for the mass transfer. The TOPCO Group actively develops key materials for mass transfer, successfully develops the carriers for micro-LED mass transfer, and provides the industry the quality fixtures with high defect-free rate for the transfer.
5. Executing the research and development of laminated film for UV-C LEDs, we possess the advantage of simplifying the packaging process, reducing production costs, and enhancing the light extraction efficiency of UV-C LEDs.
6. On green energy, the Company continues to keep on top of environmental protection issues and makes long-term investments in wastewater treatment technology and products that meet the latest environmental protection regulations, to help customers resolve the challenge they face with handling wastewater produced by high-tech manufacturing. We have successfully developed the wastewater treatment system for to treat wastewater produced by the photolithography process and bounding process, as well as grinding and cutting solutions, porous solid bio-carriers, and wastewater that contains fluoride. The Company has devoted several years to developing the wastewater treatment technology. Our solid research and development energy and results are widely acclaimed by our customers in Taiwan and offshore.
7. In response to the wastewater discharge standards becoming increasingly rigorous, in the past two years, the Company has developed volatile wastewater treatment system, suspension radio treatment system, continuous Caro's acid decomposition and recycling system, mixed fire resistant and reactive chemicals treatment system, and organic sludge dewatering system. We successfully launched our wastewater systems

- in local and offshore high-tech plants to assist our clients in meeting the wastewater discharge standards as well as the cost of treating wastewater.
8. In wastewater treatment technology, the Group successfully developed some advanced wastewater treatment technology including the IPA wastewater treatment technology (concentrate + catalytic oxidation), wasted CO₂ recovery, ammoniacal nitrogen pollutant removal technology, technology to recycle valuable (copper) metal in wastewater, low derivative wastewater treatment technology to help our clients in improving the efficiency and cost of wastewater treatment. Several clients verified and chose to use the technology.
 9. In the waste reduction and recycling section, the TOPCO Group has also continued to develop co-phase separation technology, waste liquid, and organic sludge reduction technology in recent years. On the one hand, it can separate valuable substances from wastewater or waste liquid and further concentrate them, which reduces the customer's outsourcing transportation costs. Additionally, this technology evaluates the potential for further recycling of the material. In recent years, the Company has successfully developed a range of commercial products, including an ozone catalyst advanced oxidation treatment system, coagulation additives for wastewater, enzymes for hydrogen peroxide removal, advanced fluoride removers, copper removers, decolorizers, IPA concentrators, and isopropyl alcohol concentrators. These solutions were successfully deployed across multiple sites in 2024, delivering benefits such as reduced waste disposal and transportation costs, lower carbon emissions, and decreased operational expenses.
 10. Develop a precision dosing system for wastewater treatment system, establish a precision dosing algorithm model and an automatic dosing system, which can significantly reduce the amount of chemical waste during the wastewater treatment process, improve system efficiency, and reduce operating costs. It has been officially introduced to customer projects.
 11. The advanced ozone catalyst oxidation treatment system developed by the Company is applied to the method and system for removing tetramethylammonium hydroxide (TMAH) from wastewater and was granted an invention patent in Taiwan in 2024. Additionally, the isopropanol waste liquid concentration treatment system developed by the Company was granted utility model patents in both Taiwan and China in the same year.
 12. Completed the research and development of rapid microbial activity monitoring technology in wastewater biological treatment systems, and successfully obtained new patents in Taiwan and China, and began to verify the application in the customer's field for the early warning system of RO bacteria growth.
 13. Total research and development cost for 2024 was NT 66,644 thousand dollars.
 14. Important patents of the Company for the most recent five years are listed as follows:
 - (1) 「NITRIC ACID WASTEWATER TREATMENT APPARATUS」 was granted the utility model patent and patented as TW585172, CN211216126U.
 - (2) 「TREATMENT APPARATUS FOR ORGANIC WASTEWATER CONTAINING ISOPROPYL ALCOHOL」 was granted the utility model patent and patented as TW585263, CN211338897U.
 - (3) 「EXHAUST GAS TREATMENT APPARATUS」 was granted the utility model patent and patented as TW588019, CN210993762U.
 - (4) 「HYBRID TREATMENT APPARATUS FOR TREATING ORGANIC WASTEWATER」 was granted the utility model patent and patented as TW 706919, CN112456723A/ CN112456723B.
 - (5) 「WAFER CUTTING PROTECTION LIQUID」 was granted the utility model patent and patented as TW 707907.

- (6) 「WASTEWATER RETRIEVE SYSTEM」 was granted the utility model patent and patented as TW604782, TW608084, CN213506308U, CN213680159U.
- (7) 「HIGHLY-EFFICIENT WASTEWATER TREATMENT SYSTEM」 was granted the utility model patent and patented as TW610916.
- (8) 「Arsenic adsorbent and manufacturing method and arsenic-containing wastewater treatment system」 was granted the utility model patent and patented as CN113289573A.
- (9) 「WASTEWATER RECIRCULATION TREATMENT SYSTEM」 was granted the utility model patent and patented as TW 610940, CN214243860U.
- (10) 「LASER SAWING SOLUTION」 was granted the invention patent and patented as TW 729374.
- (11) 「Ammonium sulfate pyrolysis liquefied ammonia production system」 was granted the utility model patent and patented as CN.214880250U, CN115215352A.
- (12) 「System and method for recycling phosphoric acid from mixed waste acid liquid」 was granted the utility model patent and patented as CN113800491A/ CN113800491B.
- (13) 「BIOLOGICAL WASTEWATER TREATMENT SYSTEM」 was granted the utility model patent and patented as TW 616350, CN215049490U.
- (14) 「AMMONIA NITROGEN WASTEWATER TREATMENT SYSTEM」 was granted the utility model patent and patented as TW 623704, CN216737960U.
- (15) 「ORGANIC WASTEWATER TREATMENT AND RECYCLE SYSTEM」 was granted the utility model patent and patented as TW 623715, CN 216073489U.
- (16) 「SULFIDE-RICH ORGANIC WASTEWATER TREATMENT SYSTEM」 was granted the utility model patent and patented as TW 623779, CN 216236555U.
- (17) 「NITRATE WASTEWATER TREATMENT SYSTEM」 was granted the utility model patent and patented as TW623807, CN216236564U.
- (18) 「ISOPROPYL ALCOHOL WASTEWATER TREATMENT SYSTEM」 was granted the utility model patent and patented as TW 624493, CN216337102U.
- (19) 「Waste Caro's acid liquid treatment system」 was granted the utility model patent and patented as TW625147, CN217051928U.
- (20) 「Heavy metal wastewater treatment system」 was granted the utility model patent and patented as TW 625886, CN216662761U.
- (21) 「NMP wastewater treatment system」 was granted the utility model patent and patented as TW 635225, CN217809117U.
- (22) 「Waste ammonium sulfate liquid recycling and treatment system」 was granted the utility model patent and patented as TW636791, CN217972885U.
- (23) 「Wastewater treatment system with microorganism monitoring function」 was granted the utility model patent and patented as TW636899, CN218507662U.
- (24) 「Wastewater treatment system with descaling function」 was granted the utility model patent and patented as TW 638339, CN218507620U.
- (25) 「The Protective fluid and protective film for laser cutting of soft colloid materials」 has obtained the Taiwan invention patent No. 799497.
- (26) 「Th System for separating phosphoric acid from mixed waste liquid」 has obtained the Taiwan invention patent No. 803757.
- (27) 「Isopropyl alcohol waste liquid recycling system」 was granted the utility model patent and patented as TW642910, CN219423727U.

- (28) “The System for removing ammonia nitrogen from wastewater” was granted the utility model patent and patented as TW646683, CN219792663U.
- (29) “The System for removing isopropyl alcohol from waste liquid” was granted the utility model patent and patented as TW646684, CN219792662U.
- (30) “Wafer backside processing method” was granted the utility model patent and patented as TW819492, CN116646235A.
- (31) “The waste liquid of Isopropyl alcohol concentration system” was granted the utility model patent and patented as TW653245, CN221344061U.
- (32) The “Flow Reactor System and Photochemical Microchannel Reactor” was granted the utility model patent and patented as TW662356.
- (33) The “Method for Preparing Sea Bass Extract and Its Product” has obtained the Taiwan invention patent No.809553.
- (34) The “Sea Bass Peptide with Wound Healing Efficacy and Its Composition” has obtained the Taiwan invention patent No.863205.

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

1. Short-term plan :

- (1) We will continue to Strengthen the cooperation with customers and suppliers in production research and development, integrate Taiwan’s semiconductor materials and equipment promotion achievements, and apply them to overseas markets.
- (2) In response to the dispersion and transfer of the global supply chain, Actively build an international supply chain platform to provide materials and equipment required for the manufacturing process to factory engineering integration services required for plant construction. The bases in the United States and Japan will be the focus of operations, and the layout in Southeast Asia will be deepened, we will cultivate overseas markets in Singapore, Malaysia, Vietnam, Thailand and other countries, to provide warehousing services and engineering treatment services, and integrate the distribution system in Southeast Asia.
- (3) Wafer Foundry-Service platform: Assist Chinese IC design houses in finding suitable foundry technology and accelerating product launch, and deal long-term contracts with suppliers and customers. we will find new partners for strategic alliances to increase market share.
- (4) Constructing a maintenance and trading platform for used semiconductor equipment, improve maintenance capabilities, and provide customers with engineering turnkey services, including equipment removal and removal, renovation and upgrade, and sales of parts and components.
- (5) By duplicating Taiwan’s successful experience, we will introduce to the Chinese market advanced technologies and chemicals such as ammoniacal nitrogen wastewater treatment, embedding bio-media, zero emissions, and eco-friendly chemicals. Plan to participate in semiconductor wastewater projects in India, Singapore and Malaysia to expand overseas markets.
- (6) Recruiting talents of different specialties to join our new business development.

2. Long-term plan :

- (1) For key customers, the Company will focus resources on competitive and forward-looking market areas, including the development of markets in Japan, the United States, Southeast Asia and Europe, and develop new products and new agents to enhance operating efficiency.
- (2) Evaluate and introduce key materials and equipment in the fields of advanced packaging processes, thermal applications, and automotive LEDs, find suitable partners for strategic alliances and cooperation, establish a local supply chain for

chemicals, and accelerate the development of related businesses in the fields of AI and ESG.

- (3) Through integrating advanced environmental engineering technology, we will actively cultivate Southeast Asian countries, such as Vietnam, engage in independent R&D and distribution of related equipment, materials, and chemicals, in order to provide total services and enter different business models: BOT, BOO, ROT, and OT.
- (4) In response to global trends of environmental protection, health promotion, and ecotourism, we will utilize the group's operating strengths and core abilities to expand and create different types of business relating to the daily life: green energy, environmental protection, food logistics, health and care, sports, and leisure.

II 、Market and distribution overview

(I) Market analysis

1. Sale of main product (services) and (locations)

The Group is primarily the agent for distributing semiconductor, photoelectric and electronic products to offer integrated services. We also provide services for planning, design, installation, and repair of eco-friendly plant engineering system. Domestic and Mainland China semiconductor, photoelectric and information and electronic businesses are our primary customers.

2. Market share :

(1) Resist used in IC process:

Given that nanotechnology is becoming the leading technology for IC manufacturing processes, demand for ArF/KrF photoresists required for the lithography process also saw a significant increase. Major suppliers including Shin-Etsu Chemical Co., Ltd., TOK, JSR, and DOW Chemical for the local market. In terms of the overall market share, the Group is the distribution agent for the products manufactured by Shin-Etsu Chemical. Being the leader in technology and owing to the premium quality of the products, these products occupy a prominent place in the advanced lithography processes, maintaining at least 50% of the market share in Taiwan. Following the development of advanced processes, advanced materials required for the EUV process was successfully launched for mass production, which we expect to generate further sales growth

(2) Wafer materials:

Shin-Etsu Handotai is also the main supplier of wafer materials for the global market, with approximately 30% market share. The Group is a distributor of the full range of products manufactured by Shin-Etsu Handotai to serve the IC manufacturers locally and in Mainland China.

(3) Quartz equipment used by foundries:

The Company and Japanese-based Shin-Etsu Quartz Inc. entered into a joint venture to set up the Topco Quartz Products Co., Ltd., which owns the best clean rooms for specialized processing. The manufacturing capability and professional team of Topco Quartz Products are highly regarded by our clients. Topco Quartz Products also has the advantage of having access to the Group's global production capacity and technical support. Ltd., making it the top supplier of quartz equipment in the local market and the leader in the supply of quartz materials. It occupied a 59% market share in Taiwan's quartz market in 2024.

3. Supply-demand and growth potential in future market :

(1) Semiconductor industry

Looking forward to 2025, benefiting from the vigorous development of AI

applications, the demand for artificial intelligence (AI) and high-speed computing (HPC) chips and memory will be driven. In particular, the demand for high-bandwidth memory (HBM) will continue to grow, and the global semiconductor market is expected to continue to grow. WSTS forecasts that the global semiconductor market will reach an output value of US\$697 billion in 2025, representing an annual growth rate of 11.2%. According to the Industry, Science and Technology International Strategy Center (ISTI) of the Industrial Technology Research Institute (ITRI), the output value of Taiwan's IC industry is expected to reach NT\$6.1785 trillion in 2025, with an annual growth rate of 16.2%. The output value of IC manufacturing industry was estimated to be NT\$4.827 trillion, with a yearly increase of 19.4%.

Domestic IC Industry Production from 2024 to 2025 Unit: NT\$ billion

Item	2024		2025(e)	
	Production	Annual Growth	Production	Annual Growth
IC design	12,721	16.0%	14,155	11.3%
IC manufacturing	34,195	28.4%	40,827	19.4%
Foundry	32,438	30.1%	38,960	20.1%
Memory manufacturing	1,757	3.3%	1,867	6.3%
IC packaging				
IC testing	4,233	7.7%	4,608	8.9%
IC Industry Production	2,002	5.0%	2,195	9.6%

Data source: IEK, ITRI (2025/02)

In 2025, driven by policy, technology and market, the semiconductor industry in China will exhibit a parallel pattern of scale expansion and structural optimization. Despite the international competition and the shortcomings of the industrial chain, through technological innovation, domestic substitution and global layout, it is expected to occupy a more core position in the global semiconductor industry and lead the technological reform in emerging fields such as AI and automotive electronics.

(2) LED industry

According to GMI's market survey, the global LED market is expected to continue to grow in 2025. The market scale will be US\$94.5 billion in 2024, and will increase at a compound annual growth rate of 10.4% to 2034. The main driving factors include the popularity of smart lighting technology, the demand for energy efficiency and government support policies. In terms of regional growth, the Asia-Pacific region led the market due to infrastructure investment and energy-saving policies, with a CAGR of 11.5%. In addition, emerging needs such as smart city projects, agricultural and horticultural LED applications, and IoT integration are also driving market expansion. However, supply chain challenges and intensified competition are still issues to be overcome in the future.

(3) LCD industry

It is expected that the global display panel industry will reach US\$124.5 billion in 2025, with a year-on-year growth of 5.5%, mainly due to the promotion of generative AI in IT and mobile phone replacement, the increase in OLED technology penetration rate, and the growth of niche applications in smart fields. The Industrial Technology Research Institute forecasts that the output value of Taiwan's display panel industry will reach NT\$812.9 billion in 2025, a yearly increase of 2.6%. Taiwan's panel makers are actively transforming. In addition to

investing in the upgrade of panel specifications, they also enter the advanced packaging market and develop FOPLP (fan-out panel) advanced packaging technology to avoid the impact of economic fluctuations.

(4) Environmental engineering and facility systems

In response to the increasingly stricter controls over industrial effluents in Taiwan, Southeast and Mainland China, and the demand for eco-friendly facility systems of new construction/expansion of semiconductor and optoelectronic plants, ammoniacal nitrogen wastewater treatment systems and water reclamation zero emissions systems will be the future environmental engineering demand.

(5) Green energy related markets

The Taiwanese government is actively promoting a green energy transition. It has set targets for renewable energy to account for 20% of total power generation by 2025 and aims to achieve a 30% reduction in carbon emissions by 2030, both of which are driving strong demand for renewable energy. Energy Transition 2.0 encompasses multiple areas, including diverse green energy sources (such as solar photovoltaics, offshore wind power, geothermal energy, and small hydropower), deep energy conservation, and advanced energy storage systems, in order to ensure a stable power supply and move steadily toward the goal of net-zero emissions.

4. Competitive niche

(1) High-quality photoresists meet demand of advanced processes

Given the advancement in foundry processes, we saw the demand for higher quality photo-resists product, such as the requirement of higher resolution. This in turn boosts the size of the photoresist market. The biggest benefactor of this latest market development is the Shin-Etsu Group which is committed to developing superior products that offer quality and stability. The Group has a solid, long-term product agency agreement with the Shin-Etsu Group that offers customers with the most stable, reliable, and premium photoresist products and leading-edge technical support. We also have a good grasp of customer needs to shorten the delivery lead time.

(2) Support the multifaceted demands for innovation of advanced processes

Thanks to 5G/6G, datacenter, high-performance computing (HPC), and artificial intelligence (AI), chip consumption continues to increase. Besides pushing the rapid growth in the demand for innovation of advanced processes, this will result in the significant and apparent growth in the demand for silicon wafer. As a distributor of related products such as the 12-inch silicon wafer and the required materials, such as the photoresist, quartz tooling, lapping fluid, and FOUP, for innovation of advanced processes, we can meet all the demands of 12-inch foundries.

(3) Experience in equipment integration engineering services and trusted brand in the domestic market

The Group is highly experienced in the installation, disassembling and moving of equipment used in semiconductor / TFT-LCD processes. We offer the most comprehensive technical support and provides customized and total services to meet customers' needs from finding the required machinery and parts to repair and maintenance of the equipment. Our customers trust us deeply owing to our capability in offering comprehensive planning and total services.

5. Favorable and unfavorable factors for long-term growth and counter measures.

(1) Favorable factors :

a. The Group's suppliers of products we distribute as an agent are reputable

leading local and offshore manufacturers that are in long-term partnership with us. They offer products with superior quality and are reliable in supply of goods. There was an increase in weighting of revenue from advanced processes of major semiconductor firms. The continued growth in the semiconductor industry will also aid the manufacturing of semiconductor related materials under the joint investment of the Company and the Shin-Etsu Group, therefore affirming the partnership and product/technical support capabilities.

- b. Expand our businesses to overseas market using our professional knowledge and services gained in Taiwan's semiconductor industry to recreate another success story.
- c. Our maintenance team is equipped with many years of experience and is deeply trusted by our customers. The repair and maintenance staff has stationed at the various plants in the long term. We have a wide-spread distribution network in the related fields (environmental engineering and materials). The latest updates in the various manufacturing plants and news on expansion are easily attainable.
- d. The continuous breakthrough of high-tech technology has increased the demand for high-end advanced manufacturing processes and increased the demand for and dependence on advanced manufacturing process materials.
- e. The government's stimulus plan to boost domestic demand and the promulgation of environmental protection laws are beneficial in the development and growth of environmental protection engineering businesses. We hope to leverage on our past experience to grow business in the related fields.

(2) Unfavorable factors :

- a. Concentration of revenue from semiconductor and photoelectric materials/equipment.
- b. The US-China confrontation, geopolitical and international changes have brought uncertainty to the economy and the impact of exchange rate fluctuations.
- c. With the high-tech products distribution being the core of our business operation, the speed in product development, pricing and capacity are restricted by the suppliers.
- d. Lack of talent required for development of new enterprises, new business models and the consumer market.

(3) Counter measures :

- a. Increase added value: proactively improve the level of technical support, and closely connect with upstream and downstream industries to elevate the Group's added value to the supply chain. Committed to the goal of becoming a "Leader in Total Solutions".
- b. Diversify risks: Other than continuing our partnership with suppliers of our primary products, we also worked at expanding the product line and type of services, investing in several product markets that have the potential to grow to effectively diverse risks and fully meet customer demands.
- c. Overseas market expansion: The Company is actively expanding overseas locations to meet customers' development needs. In addition to the U.S., Japan, and Vietnam, the Company also plans to set up locations in Thailand, South Korea, Germany, and India, covering warehousing and logistics, to ensure the integrity of the supply chain.
- d. Consolidate sale and product management: consolidate the technology and

talents in Taiwan and China to further enhance our market developments in the South-East Asian market. Expand the market scale and offer customers the most timely and comprehensive products and services. Ensure the most effective use of resources to maximize the Group's profitability.

- e. Research and develop environmental protection treatment technology: in response to the impending controls to be imposed on wastewater discharge, the Company set up a R&D unit dedicated to the R&D of related treatment process and technology such as ammonia/nitrogen wastewater treatment, zero discharge technology and in-house developed treatment chemicals, and has been growing the business in China.
- f. Improve efficiency and consolidate resources: in an effort to improve profitability, the Group not only develops new products and distribute products with high margins but also stringently implementing the ISO 9001 quality control system and conducting customer satisfaction survey. We differentiate ourselves from our competitors by offering superior services. The Group places high importance in employee training. We consolidate the use of resources to reduce cost of operation, also Set up the Digital Application Development Department to accelerate digital transformation.
- g. Recruit professional talents in related areas to actively grow new businesses. Continue to optimize the strategy of recruiting and nurturing talents with multinational experience, and cultivate an internationally competitive team to take root in overseas markets.

(II) Major applications and production process of primary products.

1. Major applications of primary products :

(1) Semiconductor product

Product Type	Purpose
Photoresist	A type of photosensitive material in photolithography, the primary purpose of which is to transfer the image on the reticle to the wafer. The TFR is suitable for microelectromechanical process and wafer-grade packaging.
Wafer	Key raw materials used by semiconductor firms to manufacture the IC.
Quartz equipment required for foundry process	Equipment used in foundry processes, such as quartz furnace, quartz boat, quartz container etc.
Various types of packaging materials (including liquid packaging materials)	Epoxy resin is a type of high molecule heat resistant material with primary use in the packaging of IC and passive components. It is used to protect the internal chip from environmental damage while at the same provides effective insulation and heat ventilation.
JCR, Polyimide	Used for coating the chips to protect the electronics, provide insulation and moisture resistance; prevent mechanical impact or exposure to pollutants.
Blanks	Basic materials to manufacture the reticle the function of which is similar to the negatives of photos. It transfers and prints the image on the wafer.
Pellicle	Used to prevent foreign particles from attached to the reticle that result in flaws in the lithography

	process.
CMP Slurry	Used in semiconductor CMP Oxide/Poly/W/Cu/Barrier/Nitride processes to achieve the best smoothing requirement.
FOUP	Used in 12-inch wafer fab to carry the wafer. Container used for transporting and protecting the products.
FOSB	Container used to transport the 12-inch wafer between the protection plant and the manufacturing plant.
Chemicals and special gas	Used in semiconductor processes including CVD, etching, clean etc.

(2) LED/LCD/Electronic Equipment & Materials

Product Type	Purpose
LED	Automotive and general lighting applications, iris recognition, distance sensing, signal generators, flashlights, LCD backlights, as well as large indoor and outdoor display screens.
Insulating coating/ conducting coating	Insulating coating is a highly pure insulating materials used in semiconductor IC packaging. The conducting coating is used in the external/internal electrode of chip inductors; Electrical insulating grease is used for insulating the chip resistance.
High-frequency circuit board applications (Low Dk /Df)	Materials used by high-frequency/high-speed (above 5G) rigid-flex board manufacturers, such as quartz cloth and fillers, bismaleimide (BMI), resin, and diaphragms, as well as primers for adhesion to low-roughness copper foil.
Conducting materials, silicon conduct rubber, heat seal, IC, silicon rubber for IC testing	Suitable for use in LCD monitor, PCB/FPC or between TAB as a conducting material; hot-pressing of LCM and conductive substrate; silicon rubber used for IC testing is used in fine pitch, high frequency, and high i/o IC
CO2 automatic fire extinguishing system	Primarily used in chemical supply stations and acid tab, acid supply system, waste liquid/solvent cabinets etc. Used in closed machinery, facility or room that contain organic solvents to reduce pollution and maintain cleanliness after fire is extinguished.
Equipment repair, maintenance, and installation	Provide installation, repair and maintenance services and technical support for equipment used in LCD/semiconductor processes

(3) Eco-friendly engineering and plant system

Type of Work	Scope of Application
Wastewater treatment and recycle	Adopt the most economically viable environmental protection technology to apply and research and

	develop suitable pollution control equipment. The system performs oxidation, restoration, coagulation and flocculation and then precipitate or filter the pollutants in the wastewater. Other than meeting the EPA's discharge standard, the treated wastewater can be recycled. Suitable for use in the wastewater treatment of semiconductor and LCD industries.
Ammonia and nitrogen wastewater treatment system	Treatment and recycling of wastewater that contains nitrogen produced by the foundry, semiconductor, and photoelectric processes to meet regulatory requirements for discharge and reduce the harm of polluting the environment.
Clean room construction	Ensure the cleanliness, moisture level, vibration, flexibility, safety, disaster prevention and energy conservation of the manufacturing environment of semiconductor and photoelectric firms.
Pure water treatment	Supply high-quality pure water for the semiconductor, LCD, and biotech industries.
Environmental protection chemicals	Provide chemical products specifically conditioned for individual customers to treat the industrial wastewater produced by semiconductor and LCD processes to improve the efficiency of the wastewater treatment system and reduce the need to build systems and cost of operation.

(4) Green energy and circular economy

Type of Product	Scope of Application
Solar power station	Integrate solar energy engineering services. Offer on-site inspection and measurement, planning and design, installation, test run and testing, repair/maintenance, and warranties as well as rebate application; develop solar energy power generation infrastructure, offer power station repair and maintenance services and power station surveillance system services.
Diamond wire	Solar energy silicon ingot and sapphire ingot slicing/dicing process
Quartz crucible	Crystallization process used in solar energy
Calcium fluoride sludge	Solve the problem of having to treat the calcium fluoride sludge and instead recycle the sludge for reuse by manufacturing it into artificial fluorite for use in the steel industry as flux to reduce energy demand and the cost of treating/disposing of wastes.
Environmental impact assessment services	Providing environmental impact assessment, monitoring, and design services for offshore wind power, coal-fired, and gas-fired power plants.

2. Production processes of main products : Not applicable.(non-manufacturing industry)

(III) State of supply of main raw materials: Not applicable.(non-manufacturing industry).

(IV) Names of customers who accounted for more than 10% of the sales in the last two years, and sales as a percentage of total sales.

1. Major suppliers' information

Unit : NT\$ thousands

	2023				2024			
Item	Name	Amount	Percentage of total purchase(%)	Relationship with issuer	Name	Amount	Percentage of total purchase(%)	Relationship with issuer
1	Supplier A	15,788,528	46.12	None	Supplier A	19,023,386	43.44	None
2	Supplier B	5,564,696	16.26	None	Supplier B	7,711,761	17.61	None
	Other	12,877,893	37.62	-	Other	17,053,446	38.95	-
	Net purchase	34,231,119	100	-	Net purchase	43,788,593	100	-

Note : List the names and procurement amounts and percentages of suppliers whose procurement accounted for more than 10% of the total procurement in the last two years.

Reasons for changes : None.

2. Major customers' information

Unit : NT\$ thousands

	2023				2024			
Item	Name	Amount	Percentage of net sales (%)	Relationship with issuer	Name	Amount	Percentage of net sales (%)	Relationship with issuer
1	Client A	10,723,196	21.76	None	Client A	11,911,643	20.9	None
	Other	38,550,259	78.24	-	Other	45,085,470	79.1	-
	Net Sales	49,273,455	100	-	Net Sales	56,997,113	100	-

Note : List the names and sales amounts and percentages of customers that accounted for more than 10% of the total sales in the last two years.

Reasons for changes : None

III 、Employee Information

Year		2023	2024	As of May 2, 2025
No. of Employee	Sales and marketing	317	408	408
	Engineering and technical	667	737	715
	Staff	654	697	754
	Total	1,638	1,842	1,877
Average age		31.45	34.30	38.42
Average seniority		3.89	4.79	5.18
Academy ratio	Ph.D	0.98%	0.92%	0.75%
	Master	20.63%	19.60%	19.23%
	College	68.07%	70.36%	70.86%
	Senior High School	9.40%	8.47%	8.68%
	Senior High School or below	0.92%	0.65%	0.48%

IV 、Environmental Protection Expenditure

The Company's primary business activities are the export/import, sale, and agency distribution (including electronics, electrical machinery, high-tech products, pure water, wastewater treatment equipment and cosmetics) of the various types of products. As such, the disclosure of environmental protection expenditure is not applicable. In response to the Restriction of Hazardous Substances promulgated by the European Union, the Company is a non-manufacturing firm and is only a distributor of products therefore our business operations do not fall under the scope of the RoHS, which are not directly applicable at present.

V 、Labor Relations

(I) List of the Company's employee benefits, further education, training, and pension policy and its implementation status as well as labor agreements and measures for protecting employee rights and interests :

1. In addition to the basic benefits granted by the Labor Standards Act, our employees enjoy group insurance paid in full by the Company, regular health examination, education and training subsidies, performance bonuses, and employee dormitories for expatriates. To help employees achieve a healthy balance between work and life, we regularly arrange for doctors to provide employee health and medical consultation services on-site, implement flexible working hours, and have an Employee Welfare Committee in place to comprehensively manage various employee benefits and subsidized activities, such as various club activities, employee travel, family day, health seminars, entertainment activities, and art appreciation events. We also offer wedding cash gifts, maternity subsidies, childcare allowances, funeral condolence money, employee birthday gifts (cash gifts), gifts on major holidays, hospitalization subsidies, free uniforms for female employees, and other benefit measures.
2. The Company has put in place the relevant educational training policies and a comprehensive employee training plan under a learning passport system to enhance

employees' competency. We offer employees general knowledge training to foster employees' skills in management, sales, marketing and general skills through internal training courses and the e-learning and knowledge management platform so that employees are trained across the board of general knowledge and concepts. External professional development training on the other hand elevates employees' professional skills. We also introduced an external digital learning platform to offer a more diverse self-learning path to improve the effectiveness of employees' studying of professional and general knowledge courses. The Company offers subsidies to encourage our management staff to Enrol in EMBA training at the leading universities to foster managerial personnel.

3. To establish sustainable operations and enhance corporate governance and business performance, Topco has implemented a Management Succession Plan. Successors to management positions are expected not only to demonstrate exceptional professional competence but also to uphold the Company's core business philosophy of integrity, professionalism, and result sharing. In terms of personal qualities, candidates must be fair, honest, and innovative, possess a spirit of development, and earn the trust of both clients and suppliers. The training program spans approximately 2 to 3 years, during which candidates undergo comprehensive management development training. This training integrates theoretical knowledge with practical application to enhance decision-making and judgment capabilities. In addition, as part of the long-term planning for board member succession, the Company actively cultivates internal senior managers by enhancing their understanding of board operations. These efforts include expanding their involvement across the Group's various business units through job rotations and overseas assignments to build broader leadership experience. Currently, the Group has a strong pool of senior management professionals, ensuring a robust talent pipeline to fill future vacancies on the Board of Directors. In 2024, a total of six senior managers participated in executive education programs to further enhance their capabilities. As for the part of the independent directors, according to the law, it is required to have work experience in commerce, law, finance, accounting, or the company's business needs, and seek in the industry or academia.
4. The Company has established the "Employee Pension Plan" and makes monthly contributions equivalent to a fixed percentage of an employee's total salary to the pension fund. The "Labor Pension Act" came into effect on 1 July, 2005 applies to employees who chose to be covered under the new pension system under which contributions are made to a pension fund. The Company also offers bereavement compensation in accordance with the company's bereavement policy to surviving spouse and families of an employee who deceased due to illness or accident.
5. We have always attached great importance to harmonious labor-management relations, and the communication channels between labor and management are free of obstacles. In addition to holding labor-management meetings quarterly, employees can express and communicate their views or issues with management at any time through the daily and weekly report systems. We also regularly hold employee opinion surveys and consensus camps for managers and employee seminars every year to build consensus and establish a communication mechanism. Also, our employees can learn about the latest news, such as company policies or employee benefits, through the enterprise information portal (EIP).
6. We purchase the Labor Insurance and National Health Insurance and make contributions to the pension funds for employees as per law. Apart from having established the employee retirement system, we announce the relevant personnel regulations on the employee portal for employees to check to ensure conformity.
7. We have a dedicated hotline for employee complaints, a complaint mailbox, and a complaint email in place, and we have formulated relevant prevention and handling

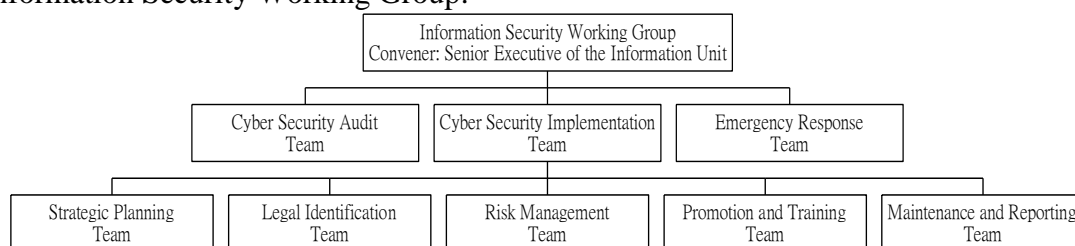
- measures and reward and punishment rules to achieve a fair and just work environment.
8. To care for employees, identify any problems that may affect their work performance, and assist them in solving these problems, we have formulated an employee assistance program (EAP) to enable employees to work with a healthy body and mind and improve their work efficiency. Through various assistance measures, we have established a warm and caring work environment and an organizational culture featuring excellent interaction.
- (II) Losses arising as a result of labor disputes in the recent year up until the publication date of this annual report and disclosure of potential current and future losses and countermeasures :
- There were no labor disputes in the most recent year and up to the publication date of the Annual Report. The Company maintains harmonious labor and management relations. Neither has the Company suffered any loss as a result of labor disputes in the past nor does the Company expect to suffer the aforesaid loss in the future.

VI 、Cyber security management:

(I) Strategy and structure:

- (1)The Company has established an Information Security Management Policy and formed an Information Security Task Force, chaired by the head of the Information Unit. The task force is composed of top executives from various departments, including business, information technology, information security, legal affairs, risk control, and human resources. Regular meetings are held to announce and promote information security incidents, as well as to make decisions, manage, and drive information security initiatives. Additionally, the status of information security execution is regularly reported to the Risk Management Committee to ensure the effective implementation of the Information Security Management Policy. This aims to protect the information security and rights of stakeholders, and achieve the information security goals of “uninterrupted service, no data loss, no information leakage, and sustainable business continuity.”

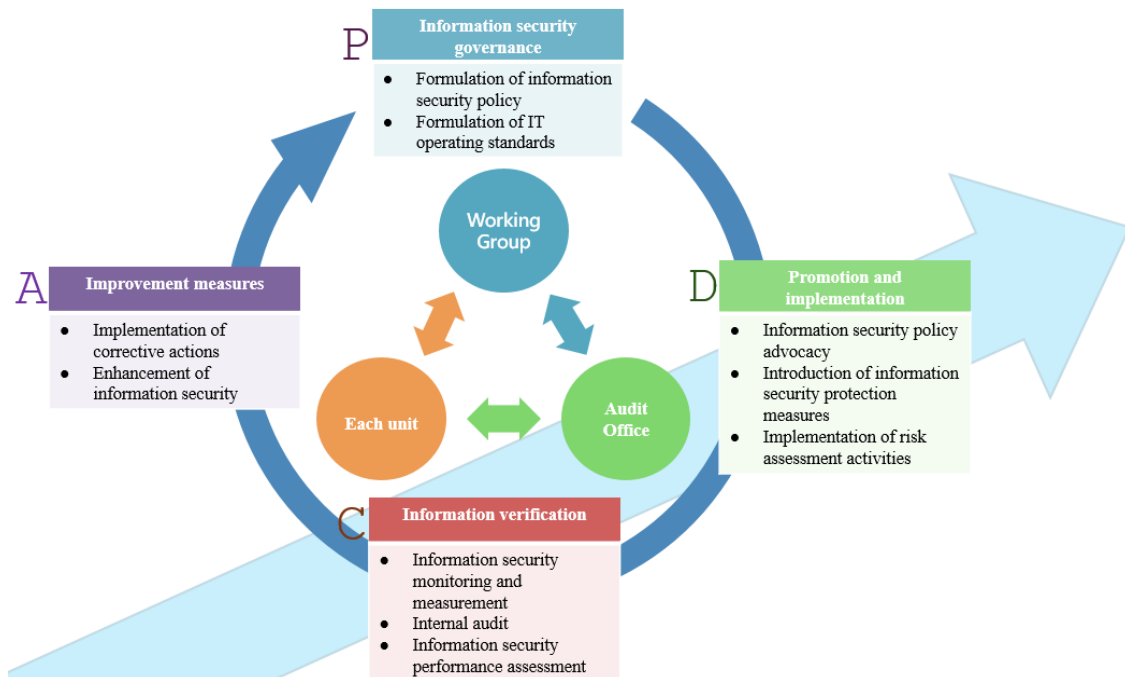
(2)Information Security Working Group:



(II) Cyber security policy

- (1)The mission of Topco is to "build a resilient, secure, and trustworthy enterprise." We have introduced information security management mechanisms to prevent unauthorized and improper access and maintain the security of information-related systems, equipment, and networks. Ensuring confidentiality, integrity, and availability of important information assets. Regularly implement internal information security drills and education and training to enhance colleagues' awareness and vigilance in information security and ensure customer and product information security.
- (2)Control is implemented from a “risk management” perspective, with regular reviews of information security management capabilities. A threat intelligence analysis and early warning mechanism are established, alongside reporting procedures and contingency measures. These efforts aim to enhance the internal staff’s ability to respond and coordinate effectively in the face of emergencies, minimizing the damage caused by security incidents and strengthening the Company’s resilience.

- (3) Through continuous optimization of information security audits, an ongoing cycle of improvement and reinforcement is created, ensuring the smooth operation of all business processes.



(III) Specific management plan

From the perspective of risk control, the Company takes countermeasures against various information security threats, introduces new technologies, and constructs real-time monitoring equipment and protection systems to ensure that information assets are properly safeguarded and to prevent potential damage. The Company also pays attention to the latest information security technology and continues to refine and improve it.

- (1) Network Security: Regularly update firewall firmware and threat intelligence to enhance the security of the Company's network environment. This helps block new types of network attacks in real time and reduces external network threats. Daily and irregular checks are performed on antivirus software and operating system updates. The system is equipped with features such as blacklist filtering, credit rating evaluations, BEC (Business Email Compromise) fraud protection, APT-file malicious attachment protection, and APT-URL malicious link protection to intercept and filter malicious emails. Additionally, information security concepts are regularly promoted to mitigate the threat of cyberattacks.
- (2) Device security: The Company's employee computers are equipped with antivirus software and EDR functions to strengthen the security of endpoint devices, and conduct network connection control, detect abnormal connections, and prevent the risk of malicious software intrusions.
- (3) Information security drills: Operational drills are conducted on a regular basis, including remote backup, database restoration, disaster recovery, and tape restoration drills, to ensure that the Company's services can respond quickly when faced with external threats, and to demonstrate the Company's resilience.
- (4) Information security monitoring: Establish the SIEM platform, entrust third-party SOC services, 24/7 monitoring and analysis, real-time detection and reporting of various information security threat events, and integrate the objective results of third-party network security verification with threat intelligence to conduct Risk analysis, vulnerability repair, and system security enhancement.
- (5) Raising information security awareness: In order to raise the information security awareness of the employees, the Company regularly releases information security

promotion announcements, conducts social engineering drills every year, and provides information security intensive course training for in-service colleagues. In 2024, the attendance rate of information security education and training for all employees was 100%.

- (6)Continuous Improvement of Information Security: An information security audit is conducted at least once a year. Additionally, a review is performed annually to reflect the latest developments in government regulations, technology, and business practices. This ensures that operational procedures and system security meet the required standards and align with the information security policy. By minimizing human errors and reducing the likelihood of disasters, the Company ensures the safety and reliability of the information systems and services it provides.

(IV) Invest resources in cyber security management

Establishment of information security manpower: Establish the Information Security Office, with one dedicated supervisor in charge of information security and one dedicated personnel of information security.

Implemented in 2024		2025 refinement plan	
Information security monitoring center	Introduce the Security Operation Center (SOC) to monitor and analyze information security threat events 24/7.	Introduce network access control solutions	Introduce Network Access Control (NAC), which enables the organization to effectively restrict unauthorized or non-compliant devices and users from accessing the corporate network and ensure that all devices connected to the corporate network comply with the company's security policies and specifications. This solution continuously checks device compliance, which is critical to the implementation of the Zero Trust security model. It ensures that every device and user need to be authenticated and authorized at all times to further strengthen network security protection.
Vulnerability Scanning	Every year, we perform vulnerability scanning and testing for host and network security problems. We also use the vulnerability scanning and result evaluation reports to discover security weaknesses in system maintenance in advance and complete vulnerability repairs in a timely manner to prevent weaknesses from being intruded into attacks.	Introduction of Penetration Testing Solution	Continuously discover and automatically verify the internal and external attack surfaces of the enterprise to ensure that it can effectively face new threats. By simulating threat attacks in the real world, penetration testers can effectively identify the vulnerabilities in the organization's system and evaluate the effectiveness of existing security solutions and incident response procedures. Based on the assessment results, vulnerabilities are repaired, security gaps are narrowed, and the incident response process is optimized to improve the overall network security protection capability.

Enhance application security	Use source code detection tools to test and analyze the source code of applications, find out potential loopholes and weaknesses and perform patching operations. Integrate with GitLab CI/CD source code management tools for automated detection after developers upload source code to meet software-related requirements. In the early stage of development, developers can quickly understand the sources of information security risks and significantly improve product quality.	Introduce threat detection and response solutions	Introduce Managed Detection and Response (MDR) to combine threat detection, event analysis, and active response functions to provide organizations with 24/7 threat monitoring and event processing capabilities to more effectively respond to cyber threats.
Enhance application security	Introduce the Web Application Firewall (WAF) to ensure that the Company's external web applications are monitored and protected from cross-site forgery, Cross-site scripting (XSS), file inclusion, and SQL data encryption attacks.	Optimization of network architecture	Purchase network defense equipment, build a two-layer defense structure, achieve multi-layer protection, reduce single point of failure, integrate multiple technologies, and strengthen access control to ensure that even if the outer layer security defense is breached, the inner layer can still play a protective role.

(V)State clearly any losses, possible impacts, and countermeasures caused by significant cybersecurity incidents in the year prior to the annual report publication date; if they cannot be reasonably stimulated, an explanation must be made as to the fact that they cannot be reasonably estimated: None

VII・Material Contracts

NATURE OF CONTRACT	COUNTERPARTY	TERM	SUBJECT	RESTRICTION
DISTRIBUTORSHIP AGREEMENT	SHIN-ETSU CHEMICAL CO., LTD.	Effective as of 1999 with an automatic renewal term	Distributorship	Confidentiality
DISTRIBUTORSHIP AGREEMENT	SHIN-ETSU ELECTRONICS MATERIALS TAIWAN CO., LTD.	Effective as of 2019 with an automatic renewal term	Distributorship	Confidentiality
SALES REPRESENTATIVE AGREEMENT	SHIN-ETSU HANDOTAI TAIWAN CO., LTD.	Effective until terminated	Sales agency	Confidentiality
DISTRIBUTORSHIP AGREEMENT	SHIN-ETSU QUARTZ PRODUCTS CO., LTD.	Effective as of 2010 with an automatic renewal term	Distributorship	Confidentiality
DISTRIBUTORSHIP AGREEMENT	SHIN-ETSU OPTO ELECTRONIC CO., LTD.	Effective as of 1999 with an automatic renewal term	Distributorship	Confidentiality
DISTRIBUTORSHIP AGREEMENT	SHIN-ETSU POLYMER CO., LTD.	Effective as of 2001 with an automatic renewal term	Distributorship	Confidentiality
DISTRIBUTORSHIP AGREEMENT	TRI CHEMICAL LABORATORIES INC.、TRI CHEMICAL ELECTRONIC MATERIALS TAIWAN INC.	Effective as of 2014 until terminated	Distributorship	Confidentiality
SALES REPRESENTATIVE AGREEMENT	MIMASU SEMICONDUCTOR INDUSTRY CO., LTD.	Effective as of 1998 with an automatic renewal term	Distributorship and Sales agency	Confidentiality
DISTRIBUTORSHIP AGREEMENT	NAMICS CORPORATION、NAMICS TAIWAN CO., LTD.	Effective as of 2011 with an automatic renewal term	Distributorship	Confidentiality
DISTRIBUTORSHIP AGREEMENT	FUJIMI INCORPORATED、FUJIMI CORPORATION	Effective as of 2007 with an automatic renewal term	Distributorship	Confidentiality
DISTRIBUTORSHIP AGREEMENT	SEKISUI CHEMICAL(TAIWAN) CO., LTD.	Effective as of 2009 with an automatic renewal term	Distributorship	Confidentiality
DISTRIBUTORSHIP AGREEMENT	3M TAIWAN LTD.	January 2024 ~ March 2025	Distributorship	Confidentiality

Chapter 5 Review of Financial Conditions, Operating Results, and Risk Management

I 、Financial position analysis:

Comparative analysis of financial status

Unit : NT\$ thousands

Item \ Year	20243	2023	Difference	
			Amount	%
Current assets	21,592,174	20,511,759	1,080,415	5
Property, plant and equipment	9,375,455	3,930,403	5,445,052	139
Intangible assets	353,806	439,979	(86,173)	(20)
Other assets	5,953,477	6,753,398	(799,921)	(12)
Total assets	37,274,912	31,635,539	5,639,373	18
Current liabilities	14,953,877	12,727,225	2,226,652	17
Non-current liabilities	4,314,522	3,564,003	750,519	21
Total liabilities	19,268,399	16,291,228	2,977,171	18
Capital	1,910,393	1,886,996	23,397	1
Capital surplus	2,916,241	2,688,841	227,400	8
Retained earnings	11,760,485	9,757,304	2,003,181	21
Other Equity and Non-controlling interests	1,419,394	1,011,170	408,224	40
Total equity	18,006,513	15,344,311	2,662,202	17
Explanation for Variance (if the variance is 20% or more): 1. The increase in property, plant and equipment was due to the purchase of office building. 2. The intangible assets decreased because of the impairment of goodwill. 3. The increase in non-current liabilities was mainly due to the increase in long-term borrowings. 4. The increase in retained earnings was mainly due to sustained profitability. 5. The other equity and non-controlling interests increased because of the increase of exchange differences on foreign operations and unrealized gains from financial assets measured at fair value through other comprehensive income.				

II 、Financial performance

(I)Financial performance analysis

Unit : NT\$ thousands

	2024	2023	Difference	
			Amount	%
Operating revenues	56,997,113	49,273,455	7,723,658	16
Operating costs	49,279,143	42,854,655	6,424,488	15
Unrealized profit (Loss)	(4,255)	12,022	(16,277)	(135)
Gross profit	7,722,225	6,406,778	1,315,447	21
Operating expenses	3,778,832	3,208,579	570,253	18
Operating income	3,943,393	3,198,199	745,194	23
Non-operating income and expenses	786,063	682,269	103,794	15
Profit from continuing operations before tax	4,729,456	3,880,468	848,988	22
Income tax expenses	1,064,365	1,027,554	36,811	4
Profit	3,665,091	2,852,914	812,177	28
Explanation for Variance (if the variance is 20% or more): 1.The increase in gross profit 、operating income and profit from continuing operations before tax was mainly due to business growth. 2. The decrease in unrealized profit (loss) was due to the decrease of unrealized in related party transactions.				

(II)Expected sales volume and its basis, potential impact on the company's future financial position and business operations, and response plan :

The revenue will continue to grow in 2025 based on the current status of orders receiving.

III 、Cash flow

Analysis of changes in cash flow in 2024

Unit : NT\$ thousands

Cash and cash Equivalents, Beginning of Year (A)	Net cash Flow from operating activities (B)	Cash Outflow (C)	Cash Surplus(Deficit) Cash Balance (A)+(B)+(C)	Remedial measures for cash deficit	
				Investment plan	Financial plan
6,484,853	5,225,074	(6,547,910)	5,162,017	-	-
1.Analysis of changes in cash flow in 2024 : (1) The net cash inflow from operating activities was NT\$5.2 billion and the cash inflow remained steady primarily due to stable profits. (2) The cash outflow was NT\$6.5 billion and the outflow was due to the purchase of building and the repayment of bank loans. 2.Remedy for cash deficit and liquidity analysis: Not applicable to TOPCO 3.Liquidity analysis: The current ratio is 144.39% and in good financial health.					

IV 、Effect of major capital spending on financial position and business operations: None.

V、Investment policy in the recent year, main reason of investment gain or loss, improvement plan and future investment plan.

Unit : NT\$ thousands

item name	Investment Gain (Loss)	Business strategy	Main reason of investment gain or loss	Improvement plan	Investment plan in the future
Topco Quartz Co.,Ltd	588,387	Quality and service is better than competitors	The core business is profitable and stable	Quality enhancement	Business oriented
Unitech New Energy Engineering Co., Ltd	43,288	Quality and service is better than competitors	The core business is profitable and stable	Quality enhancement	Business oriented
Anyong Freshmart, INC.	(61,623)	To be the leader of health oriented compound supermarket	The number of branches dose not reach the economic scale.	Open new stores and strengthening on-line businesses	Business oriented
Anyong Biotechnology, INC.	(44,514)	To emphasize the excellent qulities of the CAS frozen aquatic products	The production volume dose not reach the economic scale.	To expand its export business	Business oriented
Yilan Anyong Lohas Co., Ltd.	(27,737)	To make the diamond grade green building a muti-functional tourism factory(technology,entertainment, culture and delicious food)	With the adjustment of business strategy, the loss is reduced.	Business positioning and tourism sales channel increasing	Business oriented

VI、Analysis of Risk Management：

(I) Impact of interest rate/exchange rate fluctuations and inflation on the Company's profit and loss and future countermeasures：

1. Interest rate fluctuation:

The Company's interest rate risks primarily originate from financial assets and liabilities that are on variable interest rates. Calculated on the basis of the Company's open positions as at 31 December, 2024, an increase/decrease of 0.25% in interest rate will result in an increase/decrease of NT\$ 2,596 thousand in the Company's before tax income on 31 December, 2024.

In an effort to risk interest rate risks, the Company constantly monitors interest rate fluctuations and are in close contact with financial institutions to secure the more favorable interest rates where possible.

2. Exchange rate fluctuation:

The Company's exchange rate risks primarily originate from our business operations, predominantly in the exchange rate fluctuations in USD and JPY. Calculated on the basis of the Company's open positions as at 31 December, 2024, where there was an 5% appreciation/depreciation in the USD and JPY against our main functional

currency, the Company's before tax income will decrease/increase by NT\$32,457 thousand on 31 December 2024.

In an effort to reduce exchange rate risks, the Company undertakes foreign exchange transactions with the primary purpose of fulfilling the foreign currency requirements arising from the Company's purchase and sale of goods and does not do so for speculating purposes.

3. Inflation:

The transaction cycle of the Company's business activities is short, therefore was no significant impact on the Company's profit or loss as a result of inflation.

(II) Policies for high-risk, high-leverage investments, loan to others, endorsements, guarantees, and derivatives transaction, main reasons for the profits or losses generated thereby, and countermeasures :

1. The company has not engaged in high-risk investments or investments with a high-gearing ratio.
2. Loan to others and endorsements and guarantees provided by the Company to others are handled in accordance with the Company's "Procedures for Loan to Others and Endorsements and Guarantees" . A logbook has been maintained in accordance with regulatory requirements for regular inspection to manage risks.
3. Derivative transactions undertaken by the Company were primarily to hedge against the risks arising from business related foreign currency transactions and are not for speculating purposes.

(III) Research and development (R&D) projects and estimated R&D expenditures:

The Topco Scientific Group will continue our past R&D momentum and devote resources to the R&D of new product and technology. Especially given that explosive growth is expected in the future AI, 5G/6G, electric car, robot and autopilot driving markets, the demand for advancement in the semiconductor and photoelectric process technology will certainly increase as well as the demand for semiconductor and photoelectric products. The Group will develop the corresponding application materials to meet customer demands; and on the other hand, will maintain our commitment to promoting energy thus further invest in the R&D of green technology and technology related the circular economy. Total budget for R&D expenditure for 2025 is NT\$ 70,000 thousand, The R&D plans are listed below.

1. Advanced packaging adhesives: In response to the development trend of advanced packaging, we develop electrostatic protection tapes, carrier tapes, heat-resistant tapes, and temporary fillers required in various advanced packaging processes. Warpage, anti-static, and customized development can be carried out according to customer's process needs to provide customers with the most suitable solutions.
2. 5G Primer material: In order to avoid the loss of transmission signal, the surface roughness of the copper foil for 5G substrates is required to be smaller and smaller, and low-polarity resins need to be used to achieve low-dielectric characteristics. Therefore, the primer materials that improve the interface adhesion characteristics of the two are becoming highly reliable. Important solutions for substrate materials. To cope with the upgrade of substrate demand, develop primer material suitable for low-roughness copper foil interface and low-polarity resin bonding.
3. Eco-friendly primers: We are developing water-based primers, which are friendly to the environment and the human body and do not contain chemical solvents. They are neutral and water-based and, therefore, suitable for the adhesion of various materials.
4. Aerogel Ceramic Materials and Deposition Technology: We continue to collaborate with the Industrial Technology Research Institute (ITRI) on the development of Aerosol Deposition aerogel ceramic materials and deposition technology. This includes developing carrier-embedded high-capacitance layer aerogel deposition

technology to enhance the performance of advanced packaging applications while reducing production costs. Additionally, we aim to expand the application of aerogel ceramic material deposition technology to various other fields.

5. Heat-resistant TBDB material: The Company will continue to work with ITRI on the development of heat-resistant TBDB adhesive materials. It is expected to complete the verification on 8-inch wafers in 2025, and the application verification on 12-inch wafers is expected to be completed.
 6. Development of technology for the recovery of valuable substances from waste liquids: Continue to develop the extraction agent evaporation concentration recovery technology to improve the economic benefits of IPA recycling and reuse.
 7. Development of Organic Sludge Reduction Technology: Leveraging the developed O₃/catalyst-based waste organic sludge reduction technology, we have developed and continue to optimize the modular equipment for the ozone catalyst advanced oxidation treatment system (O₃/catalyst/Higee) to reduce customers' external clearance expenses.
 8. Carbon capture and reuse: Established a collaborative project with National Cheng Kung University, "The Process Simulation Analysis Research on Carbon Storage, Capture, Purification and Utilization," to establish process models of carbon capture, storage, and purification as a reference for the development of carbon capture and the technology of recycling process of wastes. The simulation software is used to quickly screen potential absorbents and develop suitable carbon dioxide absorbents.
 9. Construction of intelligent dosing control system: With the self-developed precision dosing system, a fluoridated wastewater treatment project is introduced, and system operation data collection and modeling are carried out, and an intelligent dosing control system is continuously developed to precisely control the dosage of chemicals in the wastewater treatment process.
 10. Construction of intelligent RO permeate control system: Utilize the self-developed rapid microbial activity monitoring technology to establish an intelligent monitoring system that can control the dosing of bacteriostats in real time based on the raw water quality TP data, reduce the energy consumption of water recycling and improve the overall efficiency.
- (IV) Impacts of changes in domestic and foreign government policies and laws on the Company's financial operations, and future countermeasures:
The Company's conducts business in accordance with the relevant laws and regulations, closely monitors the relevant updates and consult with professional agencies and experts for advice. The Company also participates in training, workshops, and seminars to stay on top of updates on important policies to respond with agility to changes.
- (V) Impacts of industry and technology changes (including cybersecurity risk) to the Company's financial operations, and future countermeasures:
1. The Company has solid finances and offers a wide array of products therefore is sheltered from the impacts of industry and technology changes. The countermeasures taken below are aimed at mitigating risks arising from cyclical fluctuations and improving operating performance:
 - (1) Extensively source industry news, interpret information, judge business fluctuations and industry trends to adjust business strategies in a timely manner.
 - (2) Closely monitor customer requirements and product trends to develop potential products, adding new products to the existing line of products being distributed.
 2. Impact of cybersecurity risks and countermeasures:
From the perspective of risk control, the cybersecurity threats currently faced by the company include unexpected service interruptions and data losses, leaks of confidential information, and various network attacks. The cybersecurity response

measures adopted by the company are described below:

- a. Unexpected interruption of service and data loss: The Company has adopted a hyper-converged host infrastructure, a virtual host for remote backup, and three copies of data backup on two storage media with one of the copies located offsite. Data backup and recovery and remote backup drills are held on a regular basis to ensure uninterrupted operation and no data loss.
- b. Confidential information leakage: The Company has strengthened its authorization management mechanism, and established an authorization management platform to control the real-time authorization status for each system. Confidential documents and key information are controlled by the DLP to restrict copies, downloads and outward mail ensuring the security of confidential information.
- c. Internet threats: strengthen the defense function of the firewall, strengthen the inspection of Internet behaviors from high-risk areas, check the updates of anti-virus software and operating systems daily and irregularly, and build blacklist filtering and credit rating evaluation functions to intercept Filter malicious emails and regularly promote cybersecurity concepts to prevent the threat of network attacks. In 2021, APT sandbox virus scanning and BEC phishing email detection will be newly introduced, and external experts will be commissioned to perform phishing email prevention tests to strengthen email security protection; from 2021 to 2024, external third-party platforms will be used to perform network attack simulation and vulnerability analysis Detection, the major risk, high risk and medium risk items in the detection results have been improved.

(VI) Impacts of changes in corporate image on the company's crisis management and future Countermeasures:

The Company maintains a sound corporate image. There has been no harmful media report on the Company.

(VII) Expected benefits and potential risks related to mergers and acquisitions: None as there has been no merger or acquisition taken place.

(VIII) Expected benefits and potential risks of capacity expansion: None as the Company has not expanded its production facility.

(IX) Risk of procurement and sales concentration, and future countermeasures:

1. Purchase: constantly monitor the inventory level to increase the inventory turnover rate and reduce the risks of inventory buildup. Actively searching for other suppliers to diversify risks associated with concentration of product suppliers.
2. Sale: maintain sound customer relationship, closely monitor of customer requirements and act proactively to avoid concentration of supply of goods to customers.

(X) Impacts and risks arising from major transfer or replacement of shares by Directors, Supervisors, or shareholders with over 10% of shares in the Company:

The Company does not have major shareholders who hold a stake of greater than 10 percent. There has been no major transfer of shares owned by any director or supervisor.

(XI) Impact of change in Company management and associated risks: None.

(XII) Litigious or non-litigious matters

Any major litigious, non-litigious or administrative disputes that involve the Company and/or any company director, any company supervisor, the managing director, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company and have been concluded by means of a final and unappealable judgment, or are still under litigation, where such a dispute could materially affect shareholders' equity or the prices of the company's securities up until the publication date of the Annual Report: None.

(XIII) Other significant risks and countermeasures: None.

VII • Other important matters: None

Chapter 6 Special Disclosure

I. Information about affiliates

Please refer to the website link

https://mopsov.twse.com.tw/mops/web/t57sb01_q10

II. Private Placement Securities in 2023 and as of the date of this Annual Report's publication:

None

III. Other Required Supplementary Notes: None

IV. Any event that results in substantial impact on the shareholders' equity or prices of the Company's securities as prescribed that have occurred in the most recent year up to the publication date of this Annual Report: None