

Bridge to the Brilliant Future



匯鑽科技股份有限公司

SUPERIOR PLATING TECHNOLOGY CO., LTD.

2024 Annual Report

Printed on: April 22, 2025

This annual report can be accessed on the following websites:

<http://mops.tse.com.tw>

<https://thesuperiorplating.com/>

1. Name, title, telephone number, and e-mail address of the spokesman or acting spokesman:

Spokesman

Name: Yu, Po-Chang

Title: Special Assistant to the Chairman

Tel.: (02)2792-6918

E-mail: ir@superior-sz.com

Acting spokesman

Name: Chung, Yu-Hsuan

Title: Corporate Governance Officer

Tel.: (02)2792-6918

E-mail: ir@superior-sz.com

2. Address and telephone number of the Company's headquarters, branch offices, and factories:

Address of headquarters: 7F., No. 151, Xinhua 1st Rd., Neihu Dist., Taipei City

Tel.: (02)2792-6918

3. Name, address, website, and telephone number of the agency handling shares transfer:

Name: Stock Agent Department, KGI Securities Co., Ltd.

Address: 5F., No. 2, Sec. 1, Chongqing S. Rd., Zhongzheng Dist., Taipei City

Website: <https://www.kgi.com.tw/zh-tw/institutional-services/stock-agent>

Tel.: (02) 2389-2999

4. Names of the certified public accountants who duly audited the annual financial report for the most recent fiscal year, and the name, address, website and telephone number of the accounting firm to which they belong:

Names of CPAs: CPA Liang, Tanti; CPA Yu, Robert

Name of Accounting Firm: Deloitte

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

Website: www.deloitte.com.tw

Tel.: (02)2725-9988

5. Name of any exchanges where the Company's securities are traded offshore, and method to access information on said offshore securities: None.

6. Company Website: <https://thesuperiorplating.com/>

Superior Plating Technology Co., Ltd.

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01. Letter to Shareholders

Superior Plating Technology Co., Ltd.

Business Report

I. 2024 Business Report

(I) Business Plan Implementation Achievements

Unit: NT\$ thousand; earnings per share in NT\$

Item	2024	2023	Increase (decrease) ratio %
Operating revenue, net	1,028,623	922,521	11.50%
Gross profit from operations	277,174	209,743	32.15%
Profit	59,318	18,172	226.43%
Profit attributable to the company	54,875	25,819	112.54%
Basic earnings per share (NT\$)	1.26	0.59	113.56%

(II) Budget Implementation Status

According to the “Regulations Governing the Processing of Financial Forecast Information by Public Companies,” the Company is not required to disclose its financial forecast information for 2023, so it is not applicable.

(III) Analysis of Financial Revenue, Expenditure and Profitability

Item		2024	2023
Net cash flows from (used in) operating activities (NT\$ thousand)		111,893	140,534
Ratio of liabilities to total assets (%)		31.10	31.93
Solvency	Current ratio (%)	200.49	178.68
	Quick ratio (%)	175.92	158.67
Profitability	Return on total assets (%)	4.07	1.68
	Return on equity (%)	5.38	1.72
	Net profit margin (%)	5.77	1.97
	Basic earnings per share (NT\$)	1.26	0.59

(IV) R&D Status:

1. Expand the capability of the surface treatment process to meet advanced and more complex demands of customers and to widen the gap with competitors.
2. Integrate the experience in improvement, savings, and robotic arm applications to design new fixtures and new production lines.
3. Increase automatic production equipment, reduce dependence on manpower and shorten reaction speed.
4. Continuously supervise the reduction of water, electricity and pollution and become a green energy enterprise.
5. Continuously improve the liquid medicine system, production system and equipment and improve efficiency and yield.

II. 2025 Business Plan Overview

(I) Business Policy:

1. Strictly abide by local laws and regulations, stay away from legal risks and continuously invest in the improvement of the environmental safety system.
2. Recruit/cultivate talents, establish a knowledge management system and enrich team quality and quantity to facilitate business expansion.
3. Create maximum value for customers with cost and speed advantages.

(II) Important Production and Sales Policies:

1. Develop new businesses and new customers, and search for surface treatment businesses in all fields.
2. Watch closely fluctuations in materials and the exchange rate and respond optimally and in the quickest way.
3. Diversified, complex, and multi-location development.

III. Future Company Development Strategies

- (I) Expand the factories in Vietnam, Thailand, and Dongguan to meet customer needs, to catch up with the OOC wave, and to diversify risks.
- (II) Increase R&D investment, recruit technical talents and enhance technical strength.
- (III) Strengthen automation and improve basic ability and response speed to cope with a changing environment.
- (IV) Expand the high growth/precious metal market and increase per capita performance.
- (V) Reinforce information-based information security management.
- (VI) Follow up on environmental and green energy needs of customers and laws.

IV. Impact of External Competitive Environment, Regulatory Environment and Overall Economic Environment

(I) External Competitive Environment:

1. The consumer market is recovering, and the overall outlook for 2025 is more optimistic than in 2024.
2. As the Sino-US trade war continues, the development direction of the electronics industry has been determined, and the supply chain has changed.
3. The international situation is unclear and exchange rates and prices are changing rapidly.
4. The green concept is gaining attention and energy prices are gradually rising.

The non-immediate demand expenditures will be strictly controlled due to the turbulent external environment; also, observe the changes in the supply chain. It is important to plan ahead, enhance the response ability, perform self-examination, enhance basic skills, wait for breakthroughs, and seek new opportunities.

(II) Regulatory Environment:

The Chinese government has continually tightened environmental protection standards and effectively controlled wastewater discharge through the operation of industrial parks. Under the circumstances, the Ministry of Ecology and Environment of the People's Republic of China issued the "Technical guideline for deriving hazardous waste management plans and records" to enhance the control of hazardous waste declaration and supervision. China's State Administration for Market Regulation (Standardization Administration of China, SAC) approved 343 national standards and 2 national standard amendments, including "Treatment and disposal for electroplating sludge-Classification" and "Treatment and disposal for Copper-containing Sludge." Of these, "Treatment and disposal for electroplating sludge-Classification" has been in effect since September 1, 2020. Since 2007, the Chinese government has successively issued a number of economic and trade measures and regulations. The adjustment to processing trade policies, the revision of the "Catalog for the Guidance of Foreign Investment Industries," the implementation of the "Enterprise Income Tax Law," the "Labor Contract Law" and other regulations will directly increase operating costs and operational difficulties. In addition, the recent imposition of bilateral trade tariffs by both the United States and China will have an operating impact on exporters. The Company will focus more on updating and researching laws and regulations, and respond with conservative strategies to protect shareholders' equity.

(III) Impact on the Overall Business Environment:

Superior Plating Technology Group mainly focuses on 3C products and hard

disk-related businesses. In addition to the existing fields, the Company has been actively seeking new opportunities in recent years, such as automotive and heat dissipation. The new development projects have been recognized by customers and will be launched in 2025, contributing to the Company's financial success this year. The performance of the existing products will be significantly better than that in 2024. The specific impact of the overall operating environment is illustrated below:

1. The recovery of consumption in 3C products is with noticeable growth achieved from the year 2024.
2. Customers give many new opportunities; R&D costs will increase.
3. The Chinese government is strengthening its control over enterprises and is releasing opportunities and benefits at the same time; therefore, there should be a new round of elimination.
4. The Thai factory benefits from the stabilization of hard disk drives and the OOC effect will gradually return to normal.
5. The existing business in China will not currently be affected by the transfer.

Chairman:
Hua, Lei-Tse



General Manager:
Wang, Hsin-Wei



Accounting Manager:
Lee, Yu-Hsuan



02. Corporate Governance Report

2.1 Information on the Company's directors, general manager, deputy general managers, assistant general managers, and the supervisors of all divisions and branch units:

2.1.1 Information on directors

April 22, 2022																							
Title	Nationality or place of registration	Name	Gender Age	Date of election	Term of office	Date first elected	Shareholding when elected			Current shareholding			Current shareholding of spouse and/or children of minor age			Shareholding in the name of others		Major experience and education	Position concurrently held in the Company and other companies	Other supervisor and/or director who is a spouse or relative within the second degree of kinship			Remark
							Number of Shares	Shareholding ratio	Shareholding ratio	Number of Shares	Shareholding ratio	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Title			Name	Relationship		
Chairman	Taiwan	ChiaChuan Investment Co., Ltd.	-				1,947,000	4.38	1,947,000	4.39	1,947,000	-	-	-	-	-	-	-	-	-	-	-	-
	Taiwan	Representative: Wu, Chia-Chuan (Note1)	Male 71-80	2023.6.9	3 years	2010.11.01	15,000	0.03	15,000	0.03	45,000	1,000	-	-	-	Mechanical Engineering, Chung Yuan University	Chairman, ChiaChuan Investment Co., Ltd.	-	-	-	-	Note1	
	Taiwan	Representative: Hua, Lei-Je (Note1&2)	Male 41-50				698,000	1.57	698,000	1.57	698,000	-	-	-	-	National Taiwan University EMBA (Studying)	Chairman and CEO of the Company	Director	Lin, Jen-Yi	Spouse		Note1 Note2	
Director	Taiwan	Li, Su-Pai (Note3)	Male 61-70	2023.6.9	3 years	2014.6.18	977,000	2.52	814,000	1.83	-	-	-	-	-	Chemical Engineering, Chung Yuan University - Responsible person, Superior Plating Technology Co., Ltd.	Director, the subsidiaries of the Company Chairman, Huisheng Investment Co., Ltd.	Finance Manager	Lu, Chih-Hui	Relative within the first degree of kinship		Note3	
	Taiwan	Mingqi Investment Co., Ltd.	-				977,000	2.52	2,296	0.01	-	-	-	977,000	-	-	-	-	-	-	-	-	-
Director	Taiwan	Representative: Wu, Mao-Yuan (Note4)	Male 61-70	2023.6.9	3 years	2010.11.01										Mechanical Engineering, Cheng-Shiu Junior College of Technology	Chairman, Mingqi Investment Co., Ltd. General Manager, Guangzhou Bufeng Hardware (Electronics) Limited Executive Director, Dufu Technology Corp. Berhad	-	-	-	-	-	Note4
	Taiwan	Representative: Lin, Jen-Yi (Note4)	Female 41-50				1,307,592	3.56	1,000,383	2.25	-	-	-	1,307,592	-	Central Saint Martins College of Art and Design Department of Jewelry Design Vice Chairman, Rih De Wealth Management Limited	CSO of the Company	Director	Hua, Lei-Je	Spouse		Note4	
Director	Taiwan	HuiSheng Investment Co., Ltd.	-				5,559,776	12.51	5,425,776	12.22	-	-	-	-	-	-	-	-	-	-	-	-	-
	Taiwan	Representative: Lu, Teng-Hsi	Male 61-70	2023.6.9	3 years	2009.11.24	-	-	1,000	0	1,000	0	-	-	-	MBA, National Kaohsiung University of Applied Sciences	-	Finance Manager	Lu, Chih-Hui	Relative within the first degree of kinship		-	

Title	Nationality or place of registration	Name	Gender /Age	Date of election	Term of office	Date first elected	Shareholding when elected		Current shareholding		Current shareholding of spouse and/or children of minor age		Shareholding in the name of others		Major experience and education	Position concurrently held in the Company and other companies	Other supervisor and/or director who is a spouse or relative within the second degree of kinship			Remark
							Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio			Title	Name	Relationship	
Director	Taiwan	Yuyi Investment Co., Ltd.	-				1,976,000	4.46	1,976,000	4.45	-	-	-	-	-	-	-	-	-	-
	Taiwan	Representative: Chang, Hsiu-Hsiang	Female 61-70	2023.6.9	3 years	2010 11.01	0	-	0	-	-	-	-	-	Kainan University	Director, Braingensis Biotechnology Co., Ltd. Youyi Investment Co., Ltd.; Dayi Investment Co., Ltd.; Ji Yi Industries Co., Ltd.; Hongrun Industries Co., Ltd. etc Chairman, Runyi Industries Co., Ltd., Yih Shan Precision Co., Ltd., Jin Jia Hung Technology Co., Ltd. etc Supervisor, Longyi Industries Co., Ltd. Corporate Representative of Yihshan Precision Enterprise (Shenzhen) etc	-	-	-	-
Independent Director	Taiwan	Wang, Yu-Sheng	Male 51-60	2023.6.9	3 years	2014. 6.18	-	-	-	-	-	-	-	-	MBA, National Chengchi University Senior Audit Associate, KPMG Listing Review Specialist, Taipei Exchange CFO, Chialin Precision Industrial Co., Ltd. M.S. in Organic Materials Science, Tokyo Institute of Technology, Japan Senior Consultant, Lee and Li, Attorneys-at-Law	Independent Director, Casing Macron Technology Co., Ltd. Independent Director, La Kafia International Co., Ltd. Independent Director, Shuttle Inc.	-	-	-	-
Independent Director	Taiwan	Pang, I-Mao	Male 61-70	2023.6.9	3 years	2020. 6.30	-	-	-	-	-	-	-	-	Consultant, Tien Ching Japanese Language School	Consultant, Tien Ching Japanese Language School	-	-	-	-
Independent Director	Taiwan	Chiang, Tsai-Lin	Female 51-60	2023.6.9	3 years	2020. 6.30	-	-	-	-	-	-	-	-	Supervisor, Dragon Online Co., Ltd. (Corporate representative of Chinese gamer International Corp.) Supervisor, Zhilong Venture Capital Co., Ltd. (Corporate representative of Chinese gamer International Corp.) Supervisor, Celad Taiwan Inc. Supervisor, Super Game Co., Ltd. Supervisor, Xiong Le Zi Co., Ltd. (Corporate representative of Chinese gamer International Corp.) Supervisor, GameTopia Co., Ltd. Supervisor, Oriental Dragon Digital Co., Ltd. (Corporate representative of Chinese gamer International	Supervisor, Dragon Online Co., Ltd. (Corporate representative of Chinese gamer International Corp.) Supervisor, Zhilong Venture Capital Co., Ltd. (Corporate representative of Chinese gamer International Corp.) Supervisor, Celad Taiwan Inc. Supervisor, Super Game Co., Ltd. Supervisor, Xiong Le Zi Co., Ltd. (Corporate representative of Chinese gamer International Corp.) Supervisor, GameTopia Co., Ltd. Supervisor, Oriental Dragon Digital Co., Ltd. (Corporate representative of Chinese gamer International	-	-	-	-

Title	Nationality or place of registration	Name	Gender /Age	Date of election	Term of office	Date first elected	Shareholding when elected		Current shareholding		Current shareholding of spouse and/or children of minor age		Shareholding in the name of others		Major experience and education	Position concurrently held in the Company and other companies	Other supervisor and/or director who is a spouse or relative within the second degree of kinship			Remark
							Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio			Title	Name	Relationship	
															Corp.) Director, 9Splay Entertainment Technology Co., Ltd. (Corporate representative of Zhilong Venture Capital Co., Ltd.) Independent Director of Sonix Technology Co., Ltd.					

Note1: ChiaChuan Investment reassigned Hua Lei-Je as director on February 13, 2025

Note2 Director Hua Lei-Je resigned as director on February 29, 2024, became the representative of ChiaChuan Investment on February 13, 2025, and became the chairman of the board on February 13, 2025.

Note3 Director Li Su-Pai resigned as chairman on February 13, 2025, and was dismissed on March 10, 2025.

Note4: Mingqi investment reassigned Lin, Jen-Yi as director on February 13, 2025

21.2.Major shareholders of institutional shareholders

April 22, 2025

Name of institutional shareholder	Major shareholders of institutional shareholders
HuiSheng Investment Co., Ltd.	Huang, Yue-E (28%), Lee, Yu-Hsuan (22%), Lee, Ming-Cheng (19%)
ChiaChuan Investment Co., Ltd.	Wu, Chia-Chuan (50%), Hsiao, Shu-Fang (50%)
Yuyi Investment Co., Ltd.	Runyi Industries Co., Ltd.(10%) Jiyi Industries Co., Ltd.(10%) Yujun International Co., Ltd.(20%) Chengyang Industries Co., Ltd.(20%)
Mingqi Investment Co., Ltd.	Wu, Mao-Yuan (50%), Hsu, Sung-Hsiang (50%)

Major shareholders of any major shareholder who is an institutional shareholder:

April 22, 2025

Name of institutional shareholder	Major shareholders of institutional shareholder
Runyi Industries Co., Ltd.	Chang, Hsiu-Hsiang (2%), Yu, Yun-Hsin (96%), Yu, Feng-Yi (2%)
Jiyi Industries Co., Ltd.	Yu, Feng-Yi (26%), Yu, Li-Chien (72%), Chang, Hsiu-Hsiang (2%)
Yujun International Co., Ltd.	Songhe International Enterprise Co., Ltd. (33%) Songyuan Enterprise Co., Ltd. (33%) Junda Industries Co., Ltd. (33%)
Chengyang Industries Co., Ltd.	Derun Industries Co., Ltd. (50%) Ruilin Industries Co., Ltd. (50%)

2.1.3. Disclosure of Directors' Professional Qualification and Independence Status of Independent Directors:

April 22, 2025

Criteria Name(Note1)	Professional qualification and experience	Independence Status	Number of companies in which concurrently serving as an independent director
Chairman ChiaChuan Investment Co., Ltd. Representative: Hua Lei-Je	1. Having more than 5 years of working experience necessary for the business of the Company. 2. Work experience : Chairman of ChiaChuan Investment Co., Ltd.	This individual serves as the representative of ChiaChuan Investment Co., Ltd., a corporate director of the Company, and is a relative within the second degree of kinship to the corporate representative of Mingqi Investment Co., Ltd., another corporate shareholder of the Company. He also serves as the Chief Executive Officer of the Company and is not an independent director. All other individuals meet the independence criteria set forth in Article 3, Paragraph 1 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission.	None
Director Mingqi Investment Co., Ltd. Representative: Lin, Jen-Yi	1. Having more than 5 years of working experience necessary for the business of the Company. 2. Work experience : Vice Chairman, Rih De Wealth Management Limited	This individual serves as the representative of Mingqi Investment Co., Ltd., a corporate director of the Company, and is a relative within the second degree of kinship to the corporate representative of ChiaChuan Investment Co., Ltd., another corporate shareholder of the Company. He also serves as the Chief Executive Officer of the Company and is not an independent director. All other individuals meet the independence criteria set forth in Article 3, Paragraph 1 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission.	None
Director HuiSheng Investment Co., Ltd. Representative: Lu, Teng-Hsi	1. Having more than 5 years of working experience necessary for the business of the Company. 2. Work experience : Chairman of HuiSheng Investment Co., Ltd.	This individual is the representative of HuiSheng Investment Co., Ltd., a corporate director of the Company. All other individuals meet the independence criteria set forth in Article 3, Paragraph 1 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission.	
Director Yuyi Investment Co., Ltd. Representative: Chang, Hsiu-Hsiang	1. Having more than 5 years of working experience necessary for the business of the Company. 2. Work experience : Chairman of Yuyi Investment Co., Ltd.	This individual is the representative of Yuyi Investment Co., Ltd., a corporate director of the Company. All other individuals meet the independence criteria set forth in Article 3, Paragraph 1 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission.	None
Independent Director Wang, Yu-Sheng	1. Having more than 5 years of work experience in finance, accounting and fields necessary for the business of the Company 2. Work experience : Audit Committee member of the Company. Past work experience in finance and accounting at KPMG, Taipei Exchange and Chialin Precision Industrial Co., Ltd.	Note2	3

Criteria Name(Note1)	Professional qualification and experience	Independence Status	Number of companies in which concurrently serving as an independent director
Independent Director Pang, I-Mao	1. Having more than 5 years of work experience in law and serving as an Audit Committee member of the Company. 2. Work experience : Served as a senior consultant of Lee and Li, Attorneys-at-Law.	Note2	None
Independent Director Chiang, Tsai-Lin	1. Having more than 5 years of work experience in finance, accounting and fields necessary for the business of the Company and serving as an Audit Committee member of the Company. Worked at KPMG, and currently serving as the CFO of Chinesegamer International Corp. Not under any of the circumstances set forth in Article 30 of the Company Act	Note2	1

Note1: Not under any of the circumstances set forth in Article 30 of the Company Act

Note2: All independent directors were not elected under the provisions of Article 27 of the Company Act as representatives of the government, legal entities, or their agents. In accordance with the Company's Articles of Incorporation and the "Corporate Governance Best Practice Principles," directors are elected through a candidate nomination system. During the nomination and selection process of board members, the Company obtained from each director a written declaration, work experience, current employment verification, and a statement of familial relationships, in order to verify the independence of the director, their spouse, and relatives within the third degree of kinship in relation to the Company. Furthermore, the Company has verified that the following three independent directors, during the two years prior to their appointment and throughout their terms of service, have met the qualifications stipulated by the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission, and Article 14-2 of the Securities and Exchange Act. All independent directors have also been granted full authority to participate in decision-making and express opinions in accordance with Article 14-3 of the Securities and Exchange Act, thereby independently exercising their respective duties.

Diversity Policy and Independence of the Board of Directors

(1) Diversity Policy of the Board:

The nomination of board members in our company follows a rigorous selection process that not only considers professional competence but also places great emphasis on ethical conduct and leadership reputation. In selecting directors (including independent directors), we consider not only their professional backgrounds but also emphasize board diversity. All members of our Board of Directors are expected to possess the knowledge, skills, and competencies required to perform their duties. The Board is responsible for guiding corporate strategy, supervising management, and being accountable to the company and its shareholders. With respect to the company's corporate governance framework, the Board ensures that its powers are exercised in accordance with applicable laws, the Articles of Incorporation, and resolutions of the shareholders' meetings. The main policy objectives include:

1. Board Diversity:

The composition of the Board of Directors should take diversity into account. Based on the company's operations, business model, and developmental needs, an appropriate diversity policy should be established, including but not limited to the following aspects:

- Fundamental qualities and values: such as gender, age, nationality, and culture.
- Professional knowledge and skills: such as professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional expertise, and industry experience.

2. Competency Requirements:

Board members should generally possess the knowledge, skills, and competencies necessary to perform their duties. To achieve the goals of corporate governance, the Board as a whole should possess the following abilities:

- (1) Business judgment
- (2) Accounting and financial analysis
- (3) Business management
- (4) Crisis management
- (5) Industry knowledge
- (6) Global market perspective
- (7) Leadership
- (8) Decision-making ability

3. Current Board Composition:

The current Board consists of seven members, including three independent directors. In response to international trends in gender equality, the company is committed to reducing gender disparity on the Board. Currently, the Board is composed of four male directors and three female directors, representing 57.1% and 42.9% respectively. Given the limited number of women with practical experience in the surface treatment industry, the company will continue to seek female candidates from diverse professional backgrounds, with the goal of achieving gender equity on the Board.

(2) Implementation of Board Diversity for the Current Term (2023/06/09–2026/06/08) is Shown in the Table Below:

Title	Basic composition	Industrial experience / Professional expertise
-------	-------------------	--

	Name	Nationality	Gender	A concurrent employee of the company	Concurrently serving as an employee of the Company	Age	Term of service of independent director	Ability to make operational judgments	Legal practice	Ability to perform accounting and financial analysis	Ability to conduct management administration	Ability to conduct crisis management	Knowledge of the industry perspective	An international market	Ability to lead	Ability to make policy decision
Chairman and Legal representative	Hua Lei-Je	R.O.C.	Male	√	√	< 50		√		√	√	√	√	√	√	√
Legal representative	Lin, Jen-Yi	R.O.C.	Female	√		< 50		√		√	√	√	√	√	√	√
Legal representative	Lu, Teng-Hsi	R.O.C.	Male			> 60		√		√	√	√	√	√	√	√
Legal representative	Chang, Hsiu-Hsiang	R.O.C.	Female			> 60		√		√	√	√	√	√	√	√
Independent director	Wang, Yu-Sheng	R.O.C.	Male			> 50	> 9	√	√	√	√	√	√	√	√	√
Independent director	Pang, I-Mao	R.O.C.	Male			> 60	< 9	√	√	√	√	√	√	√	√	√
Independent director	Chiang, Tsai-Lin	R.O.C.	Female			> 50	< 9	√		√	√	√	√	√	√	√

(3) Board Independence:

1. The Board of Directors of the Company is responsible for guiding corporate strategy, supervising management, and being accountable to the Company and its shareholders. The Board exercises its authority in accordance with laws and regulations, the Articles of Incorporation, and resolutions of the shareholders' meeting, with respect to the company's corporate governance operations and arrangements. The Company emphasizes the independent operation and transparency of the Board, with all directors and independent directors acting as independent individuals who exercise their duties independently.
2. The Company's three independent directors comply with all relevant legal requirements and perform their duties in coordination with the Audit Committee. They oversee risk control, ensure the effective implementation of the internal control system, the appointment/dismissal and independence of the certified public accountants, and the proper preparation of financial statements. According to the Company's "Board Director Election Procedures," both directors and independent directors are elected through a cumulative voting system and a candidate nomination system, which encourages shareholder participation. Shareholders holding a certain number of shares may submit nominations. Candidate qualifications are reviewed in accordance with legal requirements, including checks for any disqualifications as stipulated in Article 30 of the Company Act. All nomination and review procedures are conducted and disclosed in accordance with the law. This not only protects shareholder rights but also prevents monopolization or abuse of nomination rights, thereby ensuring board independence.
3. The Company has established a Board performance evaluation system. An internal self-assessment of the Board and self-evaluation of individual directors are conducted annually. The evaluation results are submitted to the Board and disclosed in the Company's annual report and on its official website.

● Board Performance Evaluation Covers Five Key Aspects:

1. Participation in the company's operations

2. Enhancement of the quality of board decisions
 3. Board composition and structure
 4. Director selection and ongoing training
 5. Internal control
- Self-Evaluation of Board Members Covers Six Key Aspects:
 1. Understanding of the company's goals and missions
 2. Awareness of directors' responsibilities
 3. Participation in the company's operations
 4. Management of internal relationships and communication
 5. Professionalism and continuous education of directors
 6. Internal control

2.1.4 Information on the Company's general manager, deputy general managers, assistant general managers, and the supervisors of all divisions and branch units

April 22, 2025

Title	Nationality	Name	Gender	Date of inauguration	Shareholding		Shareholding of spouse and/or children of minor age		Shareholding in the name of others		Major experience and education	Position concurrently held in other companies	Officer who is a spouse or relative within the second degree of kinship			Remark
					Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage			Title	Name	Relationship	
CEO	Taiwan	Hua Lei-Je	Male	2025.04.07	698,000	1.57	-	-	-	-	National Taiwan University EMBA (Studying) Chairman and CEO of the Company	Chairman, Niching Fortune Venture Capital Co., Ltd. Chairman, Junqian International Investment Co., Ltd. Chairman, Winner International Investment Co., Ltd. Chairman, Rihder Fortune Investment Co., Ltd. Chairman, Wufu International Capital Co., Ltd. Chairman, Niching Fortune Investment Co., Ltd. Director, EverGreen Supercharge Co., Ltd.	CSO	Lin, Jen-Yi	Spouse	
CSO	Taiwan	Lin, Jen-Yi	Female	2025.04.07	-	-	698,000	1.57	-	-	Central Saint Martins College of Art and Design Department of Jewelry	Supervisor, Wufu International Capital Co., Ltd. Supervisor, Niching Fortune Investment Co., Ltd.	Chairman & CEO	Hua, Lei-Je	Spouse	

Title	Nationality	Name	Gender	Date of inauguration	Shareholding		Shareholding of spouse and/or children of minor age		Shareholding in the name of others		Major experience and education	Position concurrently held in other companies	Officer who is a spouse or relative within the second degree of kinship			Remark
					Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage			Title	Name	Relationship	
											Design Vice Chairman, Rih De Wealth Management Limited					
General Manager	Taiwan	Wang, Hsin-Wei	Male	2020.08.10	128,000	0.29	-	-	-	-	Physics, National Central University	General Manager of all subsidiaries in Shenzhen (Note 1)	-	-	-	-
Assistant General Managers	Taiwan	Wang, Sheng-Hung	Male	2025.03.01	-	-	-	-	-	-	Graduate Institute of Finance, National Taiwan University Vice President and Chief Financial Officer, Jayi Smart Energy Chief Financial Officer and Deputy Director of Operations Center, Anko Food Machine Co., Ltd.	None	-	-	-	-
Finance Manager	Taiwan	Chan, Hui-Shan	Female	2025.04.07	-	-	-	-	-	-	University of Glasgow MSc in Finance Managers, C	None				Note3

Title	Nationality	Name	Gender	Date of inauguration	Shareholding		Shareholding of spouse and/or children of minor age		Shareholding in the name of others		Major experience and education	Position concurrently held in other companies	Officer who is a spouse or relative within the second degree of kinship			Remark
					Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage			Title	Name	Relationship	
											heng Uei Precision Industry Co., Ltd. CFO/Spokes man/Corporate Governance Officer, Taiwan Styrene Monomer Co., Ltd.					
Finance Manager	Taiwan	Lu, Chih-Hui	Female	2019.06.25	74,000	0.17	83,370	0.19	-	-	Cranfield University MsCin Marketing Product Marketing Engineer, Compal Electronics, Inc., Chief specialist, Acer Inc.	None	Director	Li, Su-Pa i	Relative within the first degree of kinship	Note2 Note3
													Accounting Manager	Lee, Yu-Hsuan	Relative within the second degree of kinship	
Accounting Manager	Taiwan	Lee, Yu-Hsuan	Female	2019.11.07	44,000	0.10	-	-	-	-	Heriot Watt University MSC in Finance Audit Specialist, Deloitte	None	Director	Li, Su-Pa i	Relative within the first degree of kinship	Note2 Note3
													Finance Manager	Lu, Chih-Hui	Relative within the second degree of kinship	
Accounting Manager & Internal Audit Officer	Taiwan	Chung, Lin	Female	2018.06.25	23,000	0.05	-	-	-	-	Accounting, National Changhua University of Education Audit	None	-	-	-	-

Title	Nationality	Name	Gender	Date of inauguration	Shareholding		Shareholding of spouse and/or children of minor age		Shareholding in the name of others		Major experience and education	Position concurrently held in other companies	Officer who is a spouse or relative within the second degree of kinship			Remark
					Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage			Title	Name	Relationship	
											Director, KPMG Audit Senior Associate, PwC Taiwan Auditor, Capital Securities Corp.					
Corporate Governance Officer	Taiwan	Chung, Yu-Hsuan	Female	2023.01.19	12,000	0.03	-	-	-	-	Financial Engineering and Actuarial Mathematics, Soochow University	None	-	-	-	Note3

Note 1: The Company's subsidiaries in Shenzhen include Superior Industries (Shen Zhen) Co., Ltd. and Top-Team Technology (Shen Zhen) Ltd..

Note 2: Director Li Su-Pai resigned as chairman on February 13, 2025, and was dismissed on March 10, 2025.

Note 3: Due to internal job rotation, starting from April 7, 2025, Chan, Hui-Shan has assumed the position of Chief Financial Officer, and Chung Yu-Hsuan has assumed the position of Chief Accounting Officer.

2.2.2. Remuneration to Directors, General manager and Deputy General Manager(s) for the most recent fiscal year

2.2.1 Remuneration to Directors and Independent Directors

Unit: NT\$ thousand; thousand shares

Title	Name	Remuneration to directors						Sum of A, B, C and D and that as a percentage of net income after tax (%)		Compensation received as an employee concurrently						Sum of A, B, C, D, E, F and G and that as a percentage of net income after tax (%)		Remuneration paid by investors other than the subsidiaries or by the parent company	
		Compensation (A)		Pension (B)		Director's remuneration (C) (Note 1)		Fees for service rendered (D)		Salary, bonus and special allowance (E)		Pension (F)		Employee's compensation			The Company		All companies included in the financial statements
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	Amount paid in cash	Amount paid in shares				
Director	Li, Su-Pai (Note 2)	-	-	918	918	50	50	968 1.76%	961	3,745	-	-	-	-	-	1,929 3.52%	4,713 8.59%	None	
	Huisheng Investment Co., Ltd. Representative: Lu, Teng-Hsi	-	-	518	518	0	0	518 0.94%	-	-	-	-	-	-	-	518 0.94%	518 0.94%	None	
	ChiaChuan Investment Co., Ltd. Representative: Wu, Chia-Chuan (Note 3)	-	-	274	274	10	10	284 0.52%	-	-	-	-	-	-	-	284 0.52%	284 0.52%	None	
	Yuyi Investment Co., Ltd. Representative: Chang, Hsiu-Hsiang	-	-	290	290	10	10	300 0.55%	-	-	-	-	-	-	-	300 0.55%	300 0.55%	None	
	Mingqi Investment Co., Ltd. Representative: Wu, Mao-Yuan (Note 4)	-	-	282	282	10	10	292 0.53%	-	-	-	-	-	-	-	292 0.53%	292 0.53%	None	
Independent Director	Hua, Lei-Je (Note 3)	-	-	242	242	0	0	242 0.44%	-	-	-	-	-	-	-	242 0.44%	242 0.44%	None	
	Wang, Yu-Sheng	720	720	-	97	60	60	877 1.60%	-	-	-	-	-	-	-	877 1.60%	877 1.60%	None	
	Pang, I-Mao	720	720	-	97	60	60	877 1.60%	-	-	-	-	-	-	-	877 1.60%	877 1.60%	None	
	Chiang, Tsai-Lin	720	720	-	97	60	60	877 1.60%	-	-	-	-	-	-	-	877 1.60%	877 1.60%	None	
1. Please explain the policy, system, standards, and structure by which independent directors' remuneration is paid, and association between the amount paid and independent directors' responsibilities, the risks borne, and time committed: Authorized by the Articles of Incorporation, the board of directors determines the remuneration to directors based on their degree of involvement in the Company's operation and contribution as well as the industry standard. When the Company records a profit, the board of directors resolves the remuneration amount pursuant to the provisions of the Articles of Incorporation. If an independent director is a member of the Company's functional committee, in addition to the director's remuneration, an additional reasonable compensation will be set by taking his or her responsibility, risk borne and time committed into consideration. 2. Apart from information disclosed in the table above, the compensation received by the directors for services rendered to all companies included in the financial statements, such as serving as a non-employee consultant: NT\$ 0. Note 1: The directors' 2024 remuneration has been passed in the Company's board of directors' meeting on March 14, 2025, and it is to be reported to the shareholders' meeting. Note 2: Director Li Su-Pai resigned as chairman on February 13, 2025, and was dismissed on March 10, 2025. Note 3: Director Hua Lei-Je resigned as director on February 29, 2024, became the representative of ChiaChuan Investment on February 13, 2025, and became the chairman of the board on February 13, 2025. Note 4: Mingqi Investment reassigned Lin, Jen-Yi as director on February 13, 2025.																			

2.2.2 Remuneration to the General Manager and Deputy General Manager

Unit: NT\$ thousand; thousand shares

Title	Name	Salary (A)		Pension (B)		Bonus, special allowance and etc. (E)		Employee's compensation (D) (Note 2)				Sum of A, B, C and D and that as a percentage of net income after tax (%)		Remuneration paid by investees other than the subsidiaries or by the parent company
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements	
								Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares			
General Manager	Wang, Hsin-Wei	1,301	2,767	-	-	227	460	1,583	-	1,583	-	3,111 5.67%	4,810 8.76%	None

Note 1: On March 14, 2025, the Company approved the total amount of employee remuneration for 2024. This needs to be reported to the shareholders' meeting.

Note 2: State the amounts of employees' compensation for General Manager and Deputy General Manager resolved by the board of directors for the most recent fiscal year, including shares and cash. If such amounts are unable to be estimated, an amount for current year calculated using the actual distribution ratio of the past year shall be provided.

2.2.3 Names of managers entitled to employees' compensation and amount entitled

Unit: NT\$ thousand

Title	Name	Amount paid in shares	Amount paid in cash (Note 2)	Total	Total amount as a percentage of net income after tax (%)
General Manager	Wang, Hsin-Wei	-	2,296	2,296	4.18%
Finance Manager	Lu, Chih-Hui				
Accounting Manager	Lee, Yu-Hsuan				
Internal Audit Officer	Chung, Lin				
Corporate Governance Officer	Chung, Yu-Hsuan				

Note 1: Individual names and titles shall be disclosed, but distribution amounts may be disclosed in total.

Note 2: State the amounts of employees' compensation for managers resolved by the board of directors for the most recent fiscal year, including shares and cash. If such amounts are unable to be estimated, an amount for current year calculated using the actual distribution ratio of the past year shall be provided. Net income after tax is the net income after tax for the most recent fiscal year; If the International Financial Reporting Standards (IFRSs) have been applied, the net income after tax is the net income after tax stated in the parent company only financial statements or individual financial statements for the most recent fiscal year.

2.2.4 Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial statements or individual financial statements, as paid by the Company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, general managers, and deputy general managers, and analyze and describe remuneration policies, standards and packages, and the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

1. Analysis of the total remuneration, as a percentage of net income after tax stated in the parent company only financial statements or individual financial statements during the past 2 fiscal years to directors, general managers, and deputy general managers

Title	Ratio of Total Remuneration to Net Profit After Tax		Title	Ratio of Total Remuneration to Net Profit After Tax	
	2024			2023	
	The Company(%)	Consolidated financial statements(%)		The Company(%)	Consolidated financial statements(%)
Directors	11.29	16.36	Directors	18.99	21.87
General manager and deputyv manager	5.67	8.77	General manager and deputy manager	9.22	9.22

2. Policies, standards and packages, and the procedure for determining remuneration, and its

linkage to operating performance and future risk exposure.

- (1) The Company has established a Compensation Committee to evaluate the remuneration policies and systems for its directors and executives, and to provide recommendations to the Board of Directors for its decision-making reference.
- (2) The remuneration of the Company's directors shall be determined by the board meeting in accordance with Article 19 of the Company's Articles of Association, based on the degree of participation and contribution value of individual directors in the performance of their duties; in addition, if the Company makes a profit in the current year, no more than 5% shall be allocated as the directors' remuneration in accordance with Article 28 of the Company's Articles of Association. The Company periodically evaluates the remuneration to directors. Related performance evaluations and legitimacy of compensation and remuneration have all been reviewed by the Compensation and Remuneration Committee and the Board of Directors. Attendance fees are determined based on the number of attendances of directors at Board of Directors meetings, Audit Committee meetings, and Remuneration Committee meetings.
- (3) For the remuneration to managers, the Company defines respective allowances and prizes available at work in compliance with the Compensation Regulations in order to thank and reward employees for their devotion to work. Related prizes are approved also depending on the annual operational performance, financial standing, operational status of the Company and the performance at work of individuals. In addition, in cases of earnings for the year, 5–10% will be set aside as the remuneration to employees as required by the Article 28 of the Articles of Incorporation. The Company refers to performance evaluation results while deciding the prizes to be given out to managers. The manager performance evaluation consists of
 - I. Financial Indicators: the contribution of each business group/department to the Company's profit according to the Company's income statements, in addition to the fulfillment of goals by the managers; and
 - II. Non-financial indicators: implementation of the Company's core values and operational/managerial capabilities as well as involvement in sustainable operation. Based on the two major parts, the operational performance remuneration is calculated and the remuneration system is adequately reflected upon according to the actual operational status and related laws and regulations.

3 Procedure for deciding the remuneration

- (1) The performance evaluations of directors and executives are conducted in accordance with the Company's "Board Performance Evaluation Measures" and its "Articles of Incorporation." Remuneration is determined with reference not only to the Company's overall operational performance, industry risks, and development trends, but also to individual performance and contributions to the Company's operations, in order to ensure fair and reasonable compensation. All performance evaluations and remuneration rationality are reviewed by the Compensation Committee and the Board of Directors. The remuneration system is reviewed as necessary based on the Company's actual operational status and applicable regulations, while also taking into consideration prevailing trends in corporate governance to maintain a balance between sustainable business development and effective risk management.
- (2) According to the performance self-evaluations conducted for the Board of Directors, its members, and functional committee members for fiscal year 2024 (Year 113 in the ROC calendar), all received an "Excellent" rating. Additionally,

all executives achieved or exceeded their established performance targets for the year. The remuneration of both directors and executives was determined with full consideration of their professional capabilities, as well as the Company's operational and financial status, and was linked to the Company's overall business performance, individual performance management, and evaluation results.

- 4 Correlation with operational performance and future risks
 - (1) The review of relevant compensation standards and systems is primarily based on the Company's overall operational performance. Compensation is determined according to individual contributions and performance achievement rates, with the aim of enhancing the overall effectiveness of the Board of Directors and executive team. In addition, industry remuneration benchmarks are taken into consideration, and the reasonableness of compensation is reviewed regularly to ensure that the Company's executive compensation remains competitive within the industry, thereby facilitating the retention of outstanding management talent.
 - (2) All the Company's manager performance goals are combined with risk control in order to ensure that possible risks within the scope of responsibility can be managed and prevented against and respective human resources and related compensation and remuneration policies are combined according to the ratings given on the basis of actual performance. Important decisions are made by the management of the Company after respective risk factors are weighed. The related decision-making performance is reflected in the Company's profitability. The compensation and remuneration of the management has to do with the performance in risk control.
 - (3) Starting from 2025, the variable compensation of the company's senior managers will be linked to ESG sustainable development performance, and will be extended to managers at all levels to implement various ESG activities, including greenhouse gas management, energy use optimization, corporate governance improvement, care for employees and vulnerable groups, etc.

2.3. Implementation status of corporate governance:

2.3.1 Operations of the board of directors

There were 6 board meetings held during 2024 [A], and the attendance of directors is as follows:

Title	Name	Actual attendance [B]	Attendance by proxy	Actual attendance rate (%) [B/A]	Remark
Chairman	Li, Su-Pai	6	0	100.00	2025.02.13 Dismissal of chairman of the board
Director	HuiSheng Investment Co., Ltd. Representative: Lu, Teng-Hsi	5	1	83.33	Re-elected on 2023.6.9
Director	ChiaChuan Investment Co., Ltd. Representative: Wu, Chia-Chuan	4	2	66.67	2025.02.13 Hua, Lei-Je was appointed as the representative and served as the chairman of the board.
Director	Yuyi Investment Co., Ltd. Representative: Chang, Hsiu-Hsiang	6	0	100.00	Re-elected on 2023.6.9
Director	Mingqi Investment Co., Ltd. Representative: Wu, Mao-Yuan	5	1	83.33	2025.02.13 Lin, Jen-Yi was appointed as the representative
Director	Hua, Lei-Je	-	-	-	Dismissed on 2024.2.29
Independent Director	Wang, Yu-Sheng	6	0	100.00	Re-elected on 2023.6.9
Independent Director	Pang, I-Mao	6	0	100.00	Re-elected on 2023.6.9
Independent Director	Chiang, Tsai-Lin	6	0	100.00	Re-elected on 2023.6.9

Other matters required for disclosure:

- For a board of directors' meeting that meets any of the following conditions, state the date, session, subject matter, all independent directors' opinions and how the Company responded to such opinions:
 - Matters provided in Article 14-3 of the Securities and Exchange Act: The Company has established the Audit Committee, so Article 14-3 of the Securities and Exchange Act does not apply. Please refer to the Operations of Audit Committee section for the explanation regarding matters provided in Article 14-5 of the Securities and Exchange Act.
 - In addition to matters above, any other documented objections or reservations raised by independent directors against board resolution in relation to matters other than those described above: None.
- Regarding the situation of directors' conflict of interest recusal, the name of the director with a potential conflict of interest, subject matter, reason for conflict of interest recusal and his or her participation in vote: None.

3. A listed company shall disclose the status of evaluation on the board of directors' self-performance evaluation (or peer evaluation), including the evaluation frequency and period, scope of evaluation, method and contents of evaluation, and the implementation status is as follows:

Evaluation frequency	Evaluation period	Evaluation scope	Evaluation method	Evaluation contents
Once a year	2024/01/01~ 2024/12/31	Board of Directors	Internal self-evaluation of the Board of Directors	1. Participation in the operation of the Company 2. Improvement of the quality of the board of directors' decision making 3. Composition and structure of the board of directors 4. Election and continuing education of the directors 5. Internal control
Once a year	2024/01/01~ 2024/12/31	Individual board members	Self-evaluation of board members	1. Alignment of the goals and missions of the Company 2. Awareness of the duties of a director 3. Participation in the operation of the Company 4. Management of internal relationship and communication 5. The director's professionalism and continuing education 6. Internal control
Once a year	2024/01/01~ 2024/12/31	Remuneration Committee	Self evaluation of Remuneration Committee members	1. Participation in the operation of the Company. 2. Awareness of the duties of the Remuneration Committee 3. Improvement of quality of decisions made by the Remuneration Committee. 4. Makeup of the Remuneration Committee and election of its members.
Once a year	2024/01/01~ 2024/12/31	Audit Committee	Self-Evaluation of Audit Committee members	1. Participation in the operation of the Company. 2. Awareness of the duties of the Audit Committee

					3. Improvement of quality of decisions made by the Audit Committee. 4. Makeup of the Audit Committee and election of its members. 5. Internal control.	
(1) On March 14, 2025, the performance evaluation results for fiscal year 2024 were submitted to the Company's Board of Directors. (2) Evaluation Results: The performance evaluations of the overall Board of Directors, individual board members, the Audit Committee, and the Compensation Committee were all rated as "Excellent" (scoring 4.5 or above), indicating that the overall operations of the Board, the Audit Committee, and the Compensation Committee are well-functioning and in alignment with sound corporate governance practices.						
4. Evaluation of targets for strengthening of the functions of the board during the current and immediately preceding fiscal years:						
(1) The operations of the Company's Board of Directors are carried out in accordance with applicable laws and regulations, the Articles of Incorporation, and resolutions of the shareholders' meeting. All directors are required not only to possess the professional knowledge, skills, and competence necessary to perform their duties, but also to adhere to the principles of loyalty, integrity, and duty of care in order to maximize the interests of all shareholders.						
(2) To implement sound corporate governance, protect shareholder rights, and enhance the functions of the Board of Directors, the Company established a Corporate Governance Officer with Board approval on January 19, 2023, to assist in supporting board operations.						
(3) The Company provides information on courses, lectures, and seminars to board members as references for continued learning, and also arranges for instructors to provide in-house training to directors to continuously enhance their effectiveness.						
(4) The Company has implemented a spokesperson system and discloses relevant internal rules and major board resolutions on the Market Observation Post System (MOPS) and the Company's official website to keep shareholders informed of the Company's developments and to improve information transparency.						

2.3.2 Operations of Audit Committee

1. The Company's Audit Committee was established on June 30, 2020, replacing the former supervisor system. The Committee is composed entirely of independent directors, with a term of three years and eligible for re-election. At least one member must possess expertise in accounting or finance. A convener is elected by all committee members. To fulfill its duties, the Committee is authorized under its organizational rules to conduct any appropriate audits and investigations, and it maintains direct communication channels with the Company's internal audit supervisor, certified public accountants (CPAs), and all employees. The operation of the Committee follows the Company's "Audit Committee Charter."
2. The Audit Committee is intended to assist the Board of Directors in overseeing the quality and integrity of the Company's accounting, auditing, financial reporting processes, and financial controls. Matters reviewed by the Audit Committee include: financial statements, internal control systems, significant asset or derivative transactions, major loans, endorsements or guarantees, matters involving directors' conflicts of interest, fundraising or issuance of securities, appointment, dismissal, or compensation of CPAs, and appointment or removal of financial, accounting, or internal audit supervisors.

(1) Review of Financial Reports

The Company's annual business report, financial statements, and earnings distribution proposals are reviewed and approved by the Audit Committee before being submitted to the Board of Directors for resolution and subsequently presented to the shareholders' meeting for approval.

(2) Assessment of Internal Control System Effectiveness

The effectiveness of the Company's internal control system is evaluated annually based on self-assessments conducted by all departments in accordance with the internal control cycle. The Audit Committee confirms that the design and implementation of the internal control system are effective in achieving operational efficiency, reliability and timeliness of reporting, transparency, and compliance with relevant regulations, thereby providing reasonable assurance for the achievement of these objectives.

(3) Appointment and Evaluation of Certified Public Accountants

At the end of each fiscal year, the Audit Committee evaluates the independence, competence, and the reasonableness of the remuneration of the CPAs. The 2024 evaluation of CPA services was approved by the Audit Committee and the Board of Directors on March 14, 2025. CPAs Liang, Tanti and Yu, Robert of Deloitte Taiwan were deemed to meet the Company's standards for independence and competence.

3. There were 6 Audit Committee meetings held during 2024 [A], and the attendance of committee members is as follows:

Title	Name	Actual attendance [B]	Attendance by proxy	Actual attendance rate (%) [B/A]	Remark
Independent Director	Wang, Yu-Sheng	6	0	100.00	None
Independent Director	Pang, I-Mao	6	0	100.00	None
Independent Director	Chiang, Tsai-Lin	6	0	100.00	None
Other matters required for disclosure:					
1. For an Audit Committee's meeting that meet any of the following conditions, state the date, session, subject matter, Audit Committee's resolution and how the Company responded to such opinions.					
(1) Matters under Article 14-5 of the Securities and Exchange Act.					
Date and session of the Audit Committee's meeting	Subject matter	Resolution and opinion of the Audit Committee	The Company's response to Audit Committee's opinions		
2024.03.14 4th meeting of the 2st term	2023 Business Report. Financial Statements for 2023. Earnings Distribution Proposal for the second half of 2023. 2023 "Statement of Internal Control System". Accounting firm public expense case in 2024. Independence of the Company's external auditors. Limits of funds lent between the Company and its subsidiaries.	Passed as proposed without objection after the Chairman consulted with all committee members present	No other opinion raised by the Audit Committee		

2024.05.10 5th meeting of the 2st term	Financial Statements for 2024Q1 Regular evaluation of Earnings distribution for the second half of 2023 and relevant ex-dividend dates. In order to establish the Singapore Reinvestment Company, it plans to increase capital in its subsidiary Superior Plating Corp.	Passed as proposed without objection after the Chairman consulted with all committee members present	No other opinion raised by the Audit Committee
2024.06.11 1st interim meeting of the 2nd term	Revised profit distribution and related ex-dividend dates for the second half of 2023.	Passed as proposed without objection after the Chairman consulted with all committee members present	No other opinion raised by the Audit Committee
2024.06.21 6td meeting of the 2nd term	Superior Plating Corp., a subsidiary of the company, plans to invest in Vietnam Liu Chun Intelligent Technology Co., Ltd. through a newly established Singapore reinvestment company.	Passed as proposed without objection after the Chairman consulted with all committee members present	No other opinion raised by the Audit Committee
2024.08.12 7td meeting of the 2nd term	Business Report for the first half of 2024. Financial Statements for 2024Q2. Earnings Distribution Proposal for the first half of 2024. Purchase of directors liability insurance for the year 2024. The company's subsidiary Superior Plating CORP plans to purchase all the equity interests in the company's subsidiary Superior Plating Technology Holding (Thailand) Co., Ltd from Airich Investment Co., Ltd. and JPP Holding Company Limited. Case of transferring the number of shares bought back from the company's treasury shares to employees.	Passed as proposed without objection after the Chairman consulted with all committee members present	No other opinion raised by the Audit Committee
2024.11.11 8td meeting of the 2nd term	Financial Statements for 2024Q3. Revised the name and text of some provisions of the company's "Code of Practice for Sustainable Development"Formulate the company's "sustainable information management control operation" project 2024 Audit Plan. 2024 Business Plan. Plans to increase capital of subsidiary Superior Plating Corp. Endorsement guarantee limit case	Passed as proposed without objection after the Chairman consulted with all committee members present	No other opinion raised by the Audit Committee

	of newly added subsidiary Top-Team Technology (Shen Zhen) Ltd.			
(2) In addition to matters above, any matter that has not been passed by the Audit Committee, but has been adopted with the approval of two-thirds or more of all directors: None. 2. Regarding conflict-of-interest recusal by an independent director, the name of the independent director, subject matter, reason for recusal and his or her participation in the vote: None. 3. Communication between independent directors and internal audit officer and CPAs (which shall include material matters, method and result of the communication on the Company's financial and business conditions). (1) Communication between Independent Directors and the Certified Public Accountants (CPAs): I. The Company's Audit Committee, composed entirely of independent directors, holds regular meetings to communicate and discuss financial and business-related matters with the CPAs. The Audit Committee reviews reports (such as the business report, financial statements, and profit distribution proposals) prepared by the Board of Directors for submission to the shareholders' meeting and issues audit review reports accordingly. II. The CPAs report quarterly to the Audit Committee on the audit or review results of the annual and quarterly financial statements, as well as governance-related matters and other required communications under applicable laws and regulations. III. Independent directors have direct communication channels with both the internal audit head and the CPAs. Communication may take place as needed via email, telephone, face-to-face meetings, or formal sessions. In accordance with regulatory requirements, regular reviews are conducted on the Company's financial and operational status, and direct communication is maintained with management units. (2) Communication between Independent Directors and the Head of Internal Audit: I. The effectiveness assessment of the Company's internal control system (as declared in the Internal Control System Statement) is approved by the Audit Committee and submitted to the Board for resolution. II. Revisions to the Company's "Internal Control System" and "Internal Audit Implementation Rules" are first approved by the Audit Committee before being submitted to the Board for resolution. III. The Audit Office regularly submits internal audit reports and follow-up reports to independent directors for review. The head of internal audit attends Audit Committee and Board meetings to present reports on internal audit activities, implementation progress, improvements of audit deficiencies, and the effectiveness of such improvements, ensuring sufficient communication. IV. Before the end of each fiscal year, the Audit Office submits the following year's audit plan to the Audit Committee for approval and subsequent Board resolution. V. The Audit Office continuously follows up on suggestions or deficiencies identified by CPAs or internal departments through self-assessments, as well as on items listed in the Internal Control System Statement for improvement. The progress and results of such follow-ups are submitted in writing to the Audit Committee and the Board. (3) Summary of Communication Between Independent Directors and the Internal Audit Officer and CPAs: I. Communication between independent directors and the internal audit officer was smooth. A summary of the key communication matters in 2024 is as follows:				
Date	Attendee	Matters discussed	Discussion result	Company's Execution Results on Independent Directors' Opinions

2024/3/14	Audit Committee	Review of Internal Audit Reports Internal Control System Statement for the Year 2023	All attending committee members acknowledged and approved the matter for submission to the Board of Directors	Independent Directors No objections
2024/5/10	Audit Committee	Review of Internal Audit Reports	Passed as proposed without objection	Independent Directors No objections
2024/8/12	Audit Committee	Review of Internal Audit Reports	Passed as proposed without objection	Independent Directors No objections
2024/11/11	Audit Committee	Review of Internal Audit Reports Audit Plan for the Year 2025	Passed as proposed without objection	Independent Directors No objections
II. Communication between independent directors and the CPAs was smooth. A summary of the key communication matters in 2024 is as follows:				
Date	Attendee	Matters discussed	Discussion result	Company's Execution Results on Independent Directors' Opinions
2024/3/14	Audit Committee	2023 Annual Financial Statements.	All attending committee members acknowledged and approved the matter for submission to the Board of Directors	Independent Directors No objections
2024/5/10	Audit Committee	2024 Q1 Financial Statements.	Passed as proposed without objection	Independent Directors No objections
2024/8/12	Audit Committee	2024 Q2 Financial Statements.	Passed as proposed without objection	Independent Directors No objections
2024/11/11	Audit Committee	2024 Q3 Financial Statements.	Passed as proposed without objection	Independent Directors No objections

2.3.3 Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons

Evaluation item	Implementation status		Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No.	
I. Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?	✓		No deviation
II. Shareholding Structure and Shareholders' Rights Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters? If yes, have these procedures been implemented accordingly?	✓		(1) No deviation
(II) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	✓		(2) No deviation
(III) Has the Company built and implemented a risk	✓		(3) No deviation

Evaluation item	Implementation status		Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No.	
management system and a firewall between the Company and its affiliates? (IV) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?	✓		firewall and attain the risk control mechanism. (IV) The Company has adopted the “Rules of Procedure for Preventing Insider Trading” to prohibit company insiders and information recipients from using non-public information to trade securities or gain illegal profits.
III. Composition and responsibilities of the board of directors (I) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	✓		(I) 1. The Company has established a Board Diversity Policy. Directors should generally possess the knowledge, skills, and character necessary to perform their duties. The Corporate Governance Best Practice Principles stipulate that the composition of the Board should consider diversity, without restriction on gender, ethnicity, or nationality, and should outline the overall competencies the Board should possess. Based on the current scale of operations and development needs, the number of Board seats is determined accordingly. In addition to the statutory qualifications, considerations include relevant industry knowledge, experience, and professional competence to implement the policy of Board diversity. (1) Specific management objectives: In line with the operational model and development needs, the Company formulates appropriate diversity policies, including but not limited to the following dimensions: i. Basic attributes and values: gender, age, nationality, and cultural background. ii. Professional knowledge and skills: professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience. (2) The Company's Board members should generally possess the knowledge, skills, and character necessary for the performance of their duties. The Board as a whole should have the following capabilities: i. Operational judgment ii. Legal expertise iii. Financial and accounting analysis iv. Business management ability v. Crisis management vi. Industry knowledge vii. Global market perspective viii. Leadership

Evaluation item	Implementation status		Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No.	
(II) Has the Company voluntarily established other functional committees in addition to the remuneration committee and the audit committee?			(2) No deviation
	✓		
(III) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms?	✓		(3) No deviation
(IV) Does the Company	✓		(4) No deviation

Evaluation item	Implementation status		Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	
regularly evaluate its external auditors' independence?			listed companies shall select professional, responsible, and independent certified public accountants (CPAs), and assess the independence of the CPAs at least once a year. The results of the CPA performance evaluation for 2024 were approved by the 2nd Audit Committee's 4th meeting and the 6th Board's 5th meeting on March 14, 2024. CPAs Mr. Liang, Tanti and Mr. Yu, Robert of Deloitte & Touche met the Company's standards for independence and suitability. Please refer to Note 1 for details.
IV. Does the TWSE/TPEX listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer who is responsible for corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?	✓		1. To implement sound corporate governance and enhance the effectiveness of the Board of Directors, the Company resolved on January 19, 2023, to appoint a Corporate Governance Officer. This role was established to safeguard shareholders' rights and strengthen the functions of the Board. The appointed Corporate Governance Officer has more than three years of experience in overseeing stock affairs and corporate governance matters at a listed company. 2. The responsibilities of the Corporate Governance Officer include, at a minimum: (1) Handling matters related to meetings of the Board of Directors and shareholders in accordance with applicable laws and regulations. (2) Preparing minutes of the Board and shareholders' meetings. (3) Assisting directors with onboarding and continuing education. (4) Providing necessary information for directors to perform their duties. (5) Assisting directors in complying with relevant laws and regulations. (6) Reporting to the Board on whether independent directors meet legal and regulatory qualifications at the time of nomination, election, and during their tenure. (7) Managing matters related to changes in board membership. (8) Carrying out other responsibilities stipulated in the Company's Articles of Incorporation or contractual obligations. 3. The execution of the Corporate Governance Officer's duties in 2024 was as follows: (1) Assisted independent and other directors in performing their duties, provided necessary information, and arranged continuing education sessions. (2) Supported agenda planning and regulatory compliance for Board and shareholders' meetings. (3) Drafted Board meeting agendas and notified directors at least seven days in advance; convened meetings, provided meeting materials, issued advance reminders regarding conflict-of-interest matters, and completed meeting minutes within twenty days after each meeting. (4) Registered shareholders' meeting dates in advance as required by law; prepared meeting notices, handbooks, and minutes within statutory deadlines; and completed company registration updates following amendments to the Articles of Incorporation or changes in board membership. (5) Evaluated and arranged appropriate directors' liability insurance coverage.
V. Has the Company	✓		(1) The Company has established a "Stakeholder Section" on its official website, clearly listing detailed contact
			No deviation

Evaluation item	Implementation status		Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No.	
established channels for communication with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its Company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?			information such as phone numbers and email addresses, allowing stakeholders to choose appropriate channels to communicate with the Company based on their specific needs. (2) The Company has designated spokespersons and deputy spokespersons to serve as external communication channels. With respect for stakeholder rights, the Company regularly identifies the categories of stakeholders and establishes dedicated contacts and communication channels for each group, in order to understand their needs and reasonable expectations, and to appropriately respond to important corporate social responsibility (CSR) issues of concern. (3) The Company communicates with stakeholders through its website, telephone, and email, covering topics such as protecting shareholders' interests, safeguarding employees' rights, and maintaining integrity in customer relations. Dedicated contacts are provided for different stakeholder groups including shareholders, customers, suppliers, and employees. (4) For details on the issues of concern to stakeholders and the corresponding communication channels, please refer to the "Stakeholder Section" on the Company's website.
VI. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	✓		No deviation
VII. Information Disclosure (I) Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status? (II) Does the Company use other information disclosure channels (e.g., maintaining an English version of its website, designating staff to handle	✓ ✓		(1) No deviation (2) No deviation

Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons																		
Evaluation item	Yes	No.																			
information collection and disclosure, appointing spokespersons, webcasting investor's conference etc.)? (III) Does the company publish and report its annual financial statements within two months after the end of the fiscal year, and the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?	✓		(3) No deviation																		
VIII. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk	✓		No deviation																		
Other important information that helps to understand the Company's corporate governance practices can be found in Note 3. (V) Continuing education of directors: The Company's directors and independent directors possess professional backgrounds or practical experience and have complete the relevant continuing education courses related to corporate governance and securities laws as required. The continuing education courses of the Company's directors and supervisors taken during their term of office are disclosed on the MOPS (http://newmops.tse.com.tw/), and their continuing education status for 2024 is explained below. <table><tr><th>Title</th><th>Name</th><th>Course date</th><th>Organizer</th><th>Course name</th><th>Course hours</th></tr><tr><td>Director</td><td>Li, Su-Pai</td><td>2024/02/07</td><td>Taiwan Corporate Governance Association</td><td>Standards, restrictions and risk analysis of insider equity transactions.</td><td>3</td></tr><tr><td></td><td></td><td>2024/02/07</td><td>Taiwan Corporate Governance Association</td><td>How profit-making enterprises and individuals respond to the CFC</td><td>3</td></tr></table>			Title	Name	Course date	Organizer	Course name	Course hours	Director	Li, Su-Pai	2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3			2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC	3	
Title	Name	Course date	Organizer	Course name	Course hours																
Director	Li, Su-Pai	2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3																
		2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC	3																

Evaluation item	Implementation status										Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No.	Brief description								
									storm.		
management policies and risk evaluation standards, the implementation of customer relations policies, and purchase of liability insurance for directors and supervisors)?			Corporate director representative	Lu, Teng-Hsi	2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3			
			Corporate director representative	Wu, Chia-Chuan	2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC storm.	3			
			Corporate director representative	Chang, Hsiu-Hsiang	2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3			
			Corporate director representative	Wu, Mao-Yuan	2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC storm.	3			
			Independent Director	Wang, Yu-Sheng	2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3			
					2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC storm.	3			
					2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3			
					2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC storm.	3			
					2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3			
					2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC storm.	3			

Evaluation item	Implementation status					Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No.	Brief description			
					storm.	
	Independent Director	Pang, I-Mao	2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3
			2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC storm.	3
	Independent Director	Chiang, Tsai-Lin	2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3
			2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC storm.	3
	(VI) Implementation of risk management policies and risk evaluation standards: The Company upholds the principles of sound operation and focuses on its main business, so its business strategy is set based on manageable and bearable risks, and its internal audit unit regularly or irregularly conducts audits to eliminate any potential operational risk.					
	(VII) Implementation of customer relations policies: The Company places customers at first, so it designs and produces high quality products that satisfy customers' demands for quality and quantity, regularly reviews its relations with customers, and, through good communication, retains long-term relations with its customers.					
	(VIII) Purchase of liability insurance for directors					
		Insured	Insurance company	Insurance coverage (US\$)	Insurance period (From to)	
		All directors	South China Insurance Co., Ltd.	1,000,000	From: September 1, 2024 To: September 1, 2025	
IX. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority of enhancement objectives and measures planned for any matters still awaiting improvement. The Company has continuously implemented relevant matters and measures pursuant to its internal corporate governance best practice principles based on the corporate governance evaluation result.						

2. Evaluation Year:2024
3. Evaluation Date:March 14, 2024
4. Evaluated CPA Firm and Accountants:Deloitte & Touche (CPA Mr. Liang, Tanti i and CPA Mr. Yu, Robert)
5. Evaluation Content:
With reference to the standards for evaluating independence of an CPA under Article 47 of the Certified Public Accountant Act and No. 10 of “The Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China”

No.	Evaluation item	Evaluation result	Independent or not
1	As of the latest engagement, the Company does not engage the same CPA without replacement for 7 years consecutively.	Yes	Yes
2	The CPA does not have material financial stake in the Company.	Yes	Yes
3	The CPA does not have any improper relation with the Company.	Yes	Yes
4	The CPA shall enforce the ethics, fairness and independence of its assistants.	Yes	Yes
5	The CPA shall not engage in the audit of financial statements of institution in which the CPA held a position two years before his or her practice.	Yes	Yes
6	There are no others who practice under the name of the CPA.	Yes	Yes
7	The CPA does not hold any equity interest of the Company or any of its affiliates.	Yes	Yes
8	The CPA does not lend to or borrow from the Company or any of its affiliates.	Yes	Yes
9	The CPA does not have any joint investment or profit sharing with the Company or any of its affiliates.	Yes	Yes
10	The CPA does not concurrently hold a routine position in the Company or any of its affiliates and receive fixed compensation.	Yes	Yes
11	The CPA is not involved in any management position that makes decision for the Company or any of its affiliates.	Yes	Yes
12	The CPA does not concurrently engage in other businesses that may impair his or her independence.	Yes	Yes
13	The CPA is not a spouse or a relative within second degree of kinship of the Company's management personnel.	Yes	Yes
14	The CPA does not charge any commission in connection with the engagement.	Yes	Yes
15	As of now, there is no disciplinary action or event that may impair the CPA's independence.	Yes	Yes

The criteria for evaluating competency and independence of a CPA were formulated with reference to the Audit Quality Indicators (AQIs)

Aspect	Evaluation item	Evaluation result
Professionalism	Experience in audit/ training hours/ turnover rate/ professional support	Overall evaluation result is better than peers
Quality control	CPA load/ involvement in the audit/ status of engagement quality control	Overall evaluation

	review (EQCR)/ ability for quality control support	result is better than peers
Independence	Non-audit services/ familiarity with clients	Yes
Supervision	Flaws and corrective actions as a result of external inspections/ improvements required by the competent authority	CPA's performance is above the average
Innovation	Innovative plans or initiatives	Yes

6. Evaluation Result: None of the appointed certifying CPAs have any of the aforementioned issues. After evaluation, they are deemed to comply with the standards of independence and competence.

Note2: The training of corporate governance officer in 2024 is as follows:

Course date	Organizer	Course name	Course hours
2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3
2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC storm.	3
2024/09/10	Taipei Exchange	Insider equity publicity and briefing session of listed companies and listed companies, the first one in Taipei.	3
2024/12/05	Accounting Research and Development Foundation	Series of courses for directors, supervisors and corporate governance supervisors - Discussion on human resources and employee placement issues in corporate mergers and acquisitions.	3
2024/12/05	Accounting Research and Development Foundation	Series of courses for directors, supervisors and corporate governance supervisors - Carbon rights trading mechanism and carbon management application.	3

Note3: Important Information Regarding the Company's Corporate Governance Practices:

1. Employee Rights:

The Company adheres to a people-oriented philosophy, complies with relevant labor laws, and protects employees' legal rights. Comprehensive management systems are in place for employee welfare, workplace safety and health, and training programs. Bonuses and employee compensation are distributed annually based on business performance, aligning employees' interests with the Company's to foster a spirit of mutual prosperity.

2. Employee Care:

The Company places high importance on employee health and safety, offering healthcare services and assistance programs. Employees receive regular health check-ups. A welfare committee and relevant training sessions are established to enhance employee interaction.

3. Investor Relations:

The Company has designated spokespersons and deputy spokespersons responsible for external communications. Financial, operational, and significant information is promptly disclosed on the Company's website and the Market Observation Post System (MOPS) to ensure investors are well-informed, aiming to maximize shareholder interests. The Company also provides shareholders with the option to vote electronically at annual general meetings.

4. Stakeholder Rights:

The Company's website offers various communication and complaint channels to effectively respond to stakeholder inquiries and suggestions, safeguarding their legal rights.

5. Risk Management Policy and Implementation of Risk Assessment Standards:

The Company adopts a preventative approach to risk management, establishing a comprehensive internal control system as required by law. Internal audits are conducted regularly and randomly. In addition, the Company takes out relevant insurance policies such as property insurance, transportation insurance, and public liability insurance to mitigate risks.

6. Implementation of Consumer or Client Protection Policies:

Under the policy of prioritizing customers and consumers, the Company has established internal guidelines in accordance with relevant laws to guide employee actions.

7. Directors' Liability Insurance:

(1) The Company has purchased liability insurance for all directors to cover compensation responsibilities arising from the execution of their duties.

(2) The Company has insured its directors with Hua Nan Insurance Co., Ltd. with a coverage amount of USD 1 million. The policy period is from September 1, 2024, to September 1, 2025. The main insurance terms were submitted to the board of directors on August 12, 2024.

8. Risk Management Policy and Implementation:

The Company's risk management policy aims to effectively identify, assess, monitor, and control various risks, and to enhance all employees' awareness of risk. The objective is to keep potential risks within a tolerable range, achieving an optimal and rational balance between risk and return.

9. Directors' Continuing Education:

In accordance with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEx Listed Companies," the Company periodically offers relevant training courses for directors. The continuing education status of all directors for the year 2024 is detailed below:

Title	Name	Course date	Organizer	Course name	Course hours
Director	Li, Su-Pai	2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3
		2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC storm.	3
Corporate director representative	Lu, Teng-Hsi	2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3
		2024/02/07	Taiwan Corporate	How profit-making enterprises and	3

			Governance Association	individuals respond to the CFC storm.	
Corporate director representative	Wu, Chia-Chuan	2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3
		2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC storm.	3
Corporate director representative	Chang, Hsiu-Hsiang	2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3
		2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC storm.	3
Corporate director representative	Wu, Mao-Yuan	2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3
		2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC storm.	3
Independent Director	Wang, Yu-Sheng	2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3
		2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC storm.	3
Independent Director	Pang, I-Mao	2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3
		2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC storm.	3
Independent Director	Chiang, Tsai-Lin	2024/02/07	Taiwan Corporate Governance Association	Standards, restrictions and risk analysis of insider equity transactions.	3
		2024/02/07	Taiwan Corporate Governance Association	How profit-making enterprises and individuals respond to the CFC storm.	3

2.3.4 If the Company has a Remuneration Committee in place, the composition and operation of such committee shall be disclosed

1. Information on Remuneration Committee members

Capacity	Criteria Name	Professional qualification and experience	Independence Status	Number of companies in which concurrently serving as a remuneration committee member
Independent Director (Convener)	Wang, Yu-Sheng	1. Having more than 5 years of work experience in finance, accounting and fields necessary for the business of the Company. 2. Work experience: Audit Committee member of the Company. Past work experience in finance and accounting at KPMG, Taipei Exchange and Chialin Precision Industrial Co., Ltd.	Neither the director, the director's spouse, nor relatives within the second degree of kinship have served as directors, supervisors, or employees of the Company or its affiliated enterprises; do not hold any shares of the Company; have not served as directors, supervisors, or employees of entities having a specific relationship with the Company; and have not received any remuneration in the past two years for providing commercial, legal, financial, accounting, or other services to the Company or its affiliated enterprises.	3
Independent Director	Pang, I-Mao	1. Having more than 5 years of work experience in law and serving as an Audit Committee member of the Company. 2. Work experience: Served as a senior consultant of Lee and Li, Attorneys-at-Law.	Same as above	0
Independent Director	Chiang, Tsai-Lin	1. Having more than 5 years of work experience in finance, accounting and fields necessary for the business of the Company 2. Work experience: Audit Committee member of the Company. Worked at KPMG, and currently serving as the CFO of Chinese gamer International Corp.	Same as above	1

2. Operations of the Remuneration Committee

- (1) There are totally three members in the Company's Remuneration Committee.
- (2) The term of office of current members: From June 9, 2023 to June 8, 2026. In 2024, there were 4 [A] Remuneration Committee's meetings held, and members' qualification and attendance are listed below:

Title	Name	Actual attendance [B]	Attendance by proxy	Actual attendance %) [B/A]	Remark
Convener	Wang, Yu-Sheng	4	0	100	Re-elected on 2023.6.9
Member	Pang, I-Mao	4	0	100	Re-elected on 2023.6.9
Member	Chiang, Tsai-Lin	4	0	100	Re-elected on 2023.6.9

Other Matters to Be Disclosed:

1. If the Board of Directors does not adopt or amends the recommendations of the Compensation Committee, the company shall specify the date and term of the Board meeting, the proposal content, the Board resolution, and how the company handled the opinions of the Compensation Committee (e.g., if the compensation approved by the Board is more favorable than that recommended by the Compensation Committee, the differences and reasons shall be explained): None.
2. If any member of the Compensation Committee has expressed dissenting or reserved opinions with records or written statements on resolutions, the company shall specify the date and term of the Compensation Committee meeting, the proposal content, all members' opinions, and how those opinions were handled: None
3. Discussion topics and resolution results of the Compensation Committee, and how the company responded to the opinions of its members:

Remuneration Committee members	Subject matter	Resolution	The Company's response to Remuneration Committee's opinions
2024.03.14 4th meeting of the 5th term	Distribution of 2023 directors' remuneration. Total budget for the distribution of 2023 remuneration to managers and employees.	Passed by all committee members.	Proceed in accordance with the resolution.
2024.06.21 5th meeting of the 5th term	Breakdown of 2023 salary allocations to managers and employees.	Passed by all committee members.	Proceed in accordance with the resolution.
2024.08.12 6th meeting of the 5th term	Case of transferring the number of shares bought back from the company's treasury shares to employees. Formulate the company's "fifth repurchase of treasury shares and transfer to employee stock subscription standards and precautions". Salary adjustment of the Company's managers in 2024. Reviewing the performance assessment and the policies, systems, standards, and structure for the compensation of the directors and managerial officers.	Passed by all committee members.	Proceed in accordance with the resolution.
2024.11.11 7th meeting of the 5th term	Reviewing the distribution of 2024 annual bonuses for managerial officers. 2025 annual plan of the Remuneration Committee.	Passed by all committee members.	Proceed in accordance with the resolution.

3. Scope of Responsibilities of the Compensation Committee

The Compensation Committee shall act in accordance with the Company's "Compensation Committee Charter" and, with the care of a good administrator, faithfully perform the following duties and submit its recommendations to the Board of Directors for discussion:

- (1) Review this Charter from time to time and propose amendments as needed.

- (2) Establish and periodically review the annual and long-term performance goals as well as the compensation policies, systems, standards, and structures for directors and managerial officers.
- (3) Regularly assess the achievement of the performance goals of the Company's directors and managerial officers and, based on the results of the performance evaluation, determine their individual compensation packages and amounts.
- (4) When evaluating the performance and determining the compensation of directors and managerial officers, reference should be made to the standard levels in the industry. The individual's time commitment, responsibilities, goal achievement, performance in other roles, past compensation for similar positions within the Company, as well as the Company's short- and long-term business performance and financial condition should be taken into consideration to reasonably link individual performance with Company performance and future risks.
- (5) Directors and managerial officers shall not be induced to engage in behavior exceeding the Company's risk appetite for the sake of compensation.
- (6) When determining the proportion of bonus for short-term performance and the timing of payment for variable compensation of directors and senior executives, the characteristics of the industry and the nature of the Company's operations shall be considered.
- (7) Committee members shall not participate in discussions or voting on matters concerning their own compensation.

2.3.5 Implementation Status of Sustainable Development and Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons.

Evaluation item	Implementation status		Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No.	
I. Does the Company have the governance framework in place to help promote sustainable developments and have a unit that specializes (or is involved) in promoting sustainable developments and have the Board of Directors to empower high-ranking management to take care of it and report the progress to the Board of Directors?	V		In compliance with the vision and mission of the Company's ESG policy, the Company established the "ESG Team" in 2024, which is the highest sustainable development decision-making center within the Company. Chaired by the Chairman, the Group and a number of senior executives from different fields jointly review the Company's core operating capabilities, and the establishment of medium- and long-term sustainable development plans, and report the operation and execution to the Board of Directors every year. The "ESG Team" acts as a cross-departmental communication platform for integration and horizontal connection. The ESG Team is responsible for formulating and revising systems and specifications related to sustainability, supervising the Company's ESG policies and plans, regularly tracking and evaluating the progress and effectiveness of sustainable development. The ESG Team also ensures that sustainability strategies are fully incorporated into the Company's daily operations. The "ESG Team" reported to the Board of Directors on May 9, 2025. The contents of the report included (1) identifying sustainability issues that required attention, and planning the ESG project schedule; (2) preparing the members of the GHG inventory team , Selection of Greenhouse Gas Inventory Consultant and Verification Agency; (3) preparing the ESG report. The Board of Directors listens to the ESG report of the management team, reviews the progress of sustainable development strategies, and provides necessary guidance.
II. Does the Company perform risk assessments when dealing with environmental, social, and corporate governance-related issues that concern the Company's operations according to the materiality principle and define related risk management policies	V		No deviation (1) The scope of this disclosure covers the Company's sustainability performance data from January to December 2024 at its major global operational sites, including those in Taiwan, Mainland China, and other regions in Asia. The disclosure follows the principles of materiality, sustainability context, stakeholder inclusiveness, and completeness set forth by the Global Reporting Initiative (GRI) Standards to ensure the Company's long-term operational capability. The scope of risk management encompasses all business activities of the Company. (2) The Sustainability Development Committee conducts annual assessments of

Evaluation item	Implementation status			Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No.	Brief description	
or strategies?			environmental, social, and governance (ESG) risks, taking into account the level of stakeholder concern and the impact on the Company's operations. Based on these assessments, the Committee establishes sustainability goals for the Company and continuously enhances them through a rolling review process. (3) Corporate sustainable operation risk assessment: Due to the fact that the Company deals with surface treatment, which is an industry that, operationally, needs to take into consideration: related environmental protection policies about waste at the production site, R&D and investment involving persistent production and environmentally friendly equipment, new process development timing and time to recover the invested funds, and community and land use change, among other factors, operationally the Company sets short-term, mid-term, and long-term risk assessment and development strategies according to the four constructs, namely, financial planning, customer and product evaluation, internal organization and resources allocation planning, and operational and managerial risk and reports to the Board of Directors on a quarterly basis as needed. The report mainly covers risk identification, assessment, preparation of risk management solutions, and introduction of countermeasures reflective of the extent of impacts and the frequency of risks, including risk control through prevention, transfer, avoidance, or undertaking. Once it is approved by the Board of Directors, the existing responsible units in the Company will set up subsequent information communication and supervision mechanisms to protect the Company against damages and to ensure fulfillment of goals. In 2024, in response to the ESG risk items identified through the ISO 9001 and ISO 14001 management systems, all corresponding mitigation measures and target programs have been successfully achieved. A summary is provided below. (4) Environment: For environmental management-related items, the Company now has the responsible unit (Safety & Environment) at the production sites in China and Thailand that reports to the local highest-ranking person in charge directly to realize quick integration and adjustment of administrative resources as a whole. As part of the daily operation, the responsible unit also supervises and assists related departments	

Evaluation item	Implementation status			Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No.	Brief description	
			in complying with applicable environmental protection laws and regulations by obtaining the desired operational permit and the ISO 9001 Quality Management System and ISO 14001 Environmental Management System are introduced to each of the sites to enhance environmental protection awareness at related departments. In addition, based on customers' criteria and regulations, the Company closely monitors and manufactures products compliant with RoHS requirements. In waste processing-related issues, besides reinforcing the tracking and management of water resource systems and the internal water recycling and reutilization systems throughout each production site, the Company continues to devote to processes and equipment that help reduce and separate waste metals in terms of wastewater system management. As far as the use of electricity and promotion of energy-saving and carbon reduction at production sites are concerned, besides following the local fire prevention laws and regulations each year, continuous efforts are made to spontaneously enhance the operating efficiency of equipment and promote various energy conservation plans, including elimination of equipment that has been in use for a certain number of years, installation of power inverters to equipment, and introduction of green-energy and energy-saving equipment that helps minimize electricity and heat consumption. (5) Society – Employer–Employee Relations: The Company has the Employee Handbook and related management regulations in places required by labor laws and regulations and the Act of Gender Equality in Employment and applicable international labor laws and regulations (including the local applicable laws and regulations and international standards and human rights evaluation for subsidiaries) in order to protect the rights of employees. Devote to abiding by applicable labor and employment laws and international standards by hiring employees regardless of their gender, age, religion, ethnicity, nationality, sexual orientation, other conditions that may result in discrimination and hence are protected by law, etc. The Company precisely follows a variety of employment and labor laws and regulations by not hiring child labor and illegal labor, strictly prohibiting sexual harassment, banning forced labor, and providing employees with	

Evaluation item	Implementation status		Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No.	
			a safe and healthy work environment. (6) Corporate Governance: Ensure that everyone and all operations throughout the Company are in precise compliance with applicable regulatory requirements through the defined governance organization and the consolidated internal control mechanismPlan related continuing education opportunities for directors and provide directors with the latest developments in laws and regulations, systems, and policies on a yearly basis. Have directors covered by liability insurance in order to protect them against lawsuits or claims. Create various communication channels to facilitate proactive communications and reduce opposition and misunderstandings. Set up the investor mailbox and have the spokesperson to address and take charge of responding to concerns. (7) Information Security: In light of the quick developments of information technology around the world and the high level of dependency that Industry 4.0 change has on IT systems, the Company also enforces the following related policies against the information security risk: In terms of the organizational system and structure, the information security unit under the IT Department manages daily deployment and maintenance and the department reports directly to the President and needs to report significant events to the Board of Directors in order to ensure effective cross-departmental integration throughout the Group on issues concerning information security. As far as the software and hardware configurations are concerned, the firewall is in place and consulting contracts are entered into with third-party information security staff and the procedure is examined periodically. High-performance anti-virus software and other protective measures are introduced to prevent malicious external attacks, computer viruses, and black mails that may impact steady operations of the Company's operating systems. For key information security systems, besides the configured one active and one backup cross-support of hardware equipment, access control is also imposed on internal databases and copies are backed up on a daily basis in a remote location or computer or network. Annual inspections and disaster educational training, among

Evaluation item	Implementation status		Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No.	
			other strategies, are available on a daily basis, too, to ensure that key systems do not impact production.
III. Environmental Issues (I) Has the Company developed an appropriate environmental management system reflective of the industrial characteristics?	V	(I) In terms of environment, safety, and health, the Company meets applicable regulatory requirements and policies for environmental management systems (ISO 14001) and has labor safety and health staff and related systems in place to help reinforce safety, health, and environmental management throughout premises and discloses in substantial terms environmental protection acts to stakeholders.	No deviation
(II) Is the Company devoted to improving the energy utilization efficiency and using renewable materials with minimal impacts on the environment?	V	(II) The Company continues to enforce at respective sites the electronic paperless international documentation practice and encourages prioritized use of recycled paper if it is required to use paper. The Company investigates water recycling systems each year with the engineering R&D and production units and focuses on recycling and reuse of water resource and reducing the contents of various substances in sewage and periodically reflects upon the use of resources and energy such as water and electricity and promotes energy-saving and carbon reduction projects on premises for enhanced use efficiency of resources and energy. Metals and chemical-related waste generated during the production process are all preliminarily categorized and processed in the park before qualified suppliers compliant with local governmental laws and regulations are authorized to transport them out of the park for subsequent environmentally friendly treatment.	No deviation
(III) Does the Company evaluate potential risks and opportunities now and in the future brought about by climate change for the corporation and adopt related responsive measures?	V	(III) Climate change-related conditions such as droughts, storms, or floods pose minimal risk for the Company in terms of their potential impacts on the production site. The Company, however, constantly defines related countermeasures reflective of future risks around the world, including identifying and evaluating the environmental risk with reference to the results included in the Global Risk Report of the World Economic Forum and the Company's operational status and further helps mankind and the environment by	No deviation

Evaluation item	Implementation status		Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons																												
	Yes	No.																													
(IV) Does the Company tally the total greenhouse gas emissions, water consumption, and waste generated over the past two years and have greenhouse gas reduction, water reduction, or other waste management policies in place?	V	constantly improving the control over its internal waste-related emissions, the energy-saving performance of its machinery and equipment, water circulation and re-utilization equipment, and reducing energy consumption and carbon emissions in honor of its duties as a global citizen. (IV) Greenhouse gas, water consumption, and wastewater consumption: The data covers the Shenzhen and Thailand sites. The Scope 1 (stationary emission sources, mobile emission sources) and Scope 2 (purchased electricity, purchased steam) data were certified by Shenzhen Carbon Internet Technology Development Company. <table><tr><th rowspan="2"></th><th colspan="2">GHG emissions (tCo2e)</th><th rowspan="2">Carbon density</th></tr><tr><th>Scope 1</th><th>Scope 2</th><th>Total amount</th></tr><tr><td>2023</td><td>204.73</td><td>9,627.40</td><td>9,832.13</td><td>10.65</td></tr><tr><td>2024</td><td>683.86</td><td>15,039.51</td><td>15,723.37</td><td>15.28</td></tr></table> <table><tr><th></th><th>Amount of water consumed (m^3)</th><th>Amount of wastewater (m^3)</th><th>waste (mt)</th></tr><tr><td>2023</td><td>211,163</td><td>160,008</td><td>585.405</td></tr><tr><td>2024</td><td>227,998</td><td>176,450</td><td>1,445.852</td></tr></table> Under constant efforts made by the Company, the amount of wastewater was successfully controlled at 76.95% of total water in 2024. The amount of wastewater will continue to drop in 2025. The goal is 70% of total water. Carbon emissions dropped by 43.47% in 2024 and the goal is 4.97% in 2025. Besides proactive devotion to the R&D of energy-saving technologies, the Company communicates ideas about energy-saving and carbon reduction from time to time to its employees to increase their awareness about environmental protection. The promotion and communication policies are as follows: Plants:		GHG emissions (tCo2e)		Carbon density	Scope 1	Scope 2	Total amount	2023	204.73	9,627.40	9,832.13	10.65	2024	683.86	15,039.51	15,723.37	15.28		Amount of water consumed (m^3)	Amount of wastewater (m^3)	waste (mt)	2023	211,163	160,008	585.405	2024	227,998	176,450	1,445.852
				GHG emissions (tCo2e)			Carbon density																								
Scope 1		Scope 2	Total amount																												
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2023	211,163	160,008	585.405																												
2024	227,998	176,450	1,445.852																												
			No deviation																												

Evaluation item	Implementation status		Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No.	
			1. The defined water flow charge inside each plant is created (to clearly track the amount of water consumed and in circulation at each stage from the water inlet to the plant and the ultimate amount discharged). By clearly identifying internal water flows, it enhances the amount of usable water in circulation to accordingly reduce the amount of wastewater discharged. 2. Set up the gas tracking system to track the emissions of greenhouse gases. 3. Continue with effective remodeling of equipment on the premises to improve the efficacy. Offices: 1. In terms of paper, the Company continues to reinforce and communicate the paperless practice and introduces electronic systems for management and execution of the operating procedures. If printing is required, two-sided printing or repeated use of recycled paper shall be adopted in order to reduce the amount of paper used. 2. For electricity, light and air-conditioners are turned off when not in use. Air-conditioning equipment carrying the energy-saving and environmental protection symbol is used at the headquarters. Air-conditioner temperatures are adjusted up by 1°C and only T5 lights are used. Keeping the lights and air-conditioners off and unplugging them wherever possible is promoted in order to conserve electricity. 3. Periodically communicate with colleagues and require that they should take public transportation tools while going on business trips or visits in order to reduce the emissions of CO2 and N2O generated by transportation tools. 4. Purchase environmentally friendly products, reduce the use of disposable dining ware, encourage employees to take part in external sustainable development workshops and training to improve their awareness about environmental protection and their knowledge about environmental protection-related issues.
IV. Social Issues (I) Has the Company developed related management policies and procedures in accordance with applicable laws and regulations and the International Bill of	V		No deviation

Evaluation item	Implementation status		Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No.	
Human Rights?			the rights of employees. Substantial management policy: The Company has established sexual harassment prevention measures and provides complaint channels. Sexual harassment and forced labor is strictly prohibited to provide employees with a safe and healthy working environment. Require that partners within the reach and scope of the Company and the Group ban any violation of human rights in their respective operating activities so that members within their reach are treated fairly. Meanwhile, the Company's employment policy is not differential or discriminatory and applicable labor laws and regulations in the location of each operating site are being followed periodically on a quarterly basis to ensure compliance. Meanwhile, labor-management relations are coordinated and labor-management collaboration is promoted. There are already labor-management meetings and the Employee Welfare Committee in place to boost harmonious labor-management relations. The Company also has all employees covered by related labor/health insurance, group insurance and creates a gender-equal workplace according to the Act of Gender Equality in Employment. Employees are entitled to menstruation leave, maternity leave (paternity leave), childcare leave with position held without pay, and family care leave, among other benefits, and equality in compensation and employment conditions, training, and promotions is fulfilled.
(II) Does the Company define and enforce reasonable employee welfare measures (including compensation, leave, and other benefits, among others) and the operational performance or accomplishments are adequately reflected in the employees' compensation?	V		(II) Since listing on TPEX, the Company has been adhering to the Articles of Incorporation: "In cases of profit for the year, 5% to 10% of the profit shall be set aside as remuneration to employees." The net profit generated is combined with the remuneration of employees' performance to encourage them to better tie their own interests to the interests of the Company's team. The Company also established the Employee Stock Ownership Fund Committee. A full-time employee who has worked for a year or more can decide an amount allocated monthly for the subscription of the Company's stock, and the Company will allocate 200% of the said amount as the stock ownership incentive bonus. In addition, as far as the treasury stock policy is concerned, the Company prioritizes colleagues for preferred stock subscription opportunities so that they may share operational results further as shareholders.
			No deviation

Evaluation item	Implementation status		Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons																										
	Yes	No.																											
(III) Has the Company provided a safe and healthy work environment for the employees, and related education on occupational safety and health for the employees at regular intervals?	V	Other employee benefits include year-end gathering over a meal, three-festival gifts, and various wedding/funeral/celebration subsidies. All are comparable to market practices or are adjusted reflective of benefits adopted by counterparts. The focus remains on the combination of the Company's net profits and personal interest/performance. The Company is devoted to providing its employees with a respectful and safe workplace. We enforce diversified hiring and fair pay and promotion opportunities in order to ensure that employees are not discriminated against, harassed, or treated unfairly because of their ethnicity, gender, religion, age, political preference, or other conditions protected by applicable laws and regulations. Female employees accounted for 51% of all in 2024 and female officers 32%. (III) The Company completely follows the Labor Standards Act and local requirements. Newcomers are entitled to complete orientation that covers environment, safety, and health, fire prevention, safety of special equipment, safety of hazardous chemicals, and safety in a confined space, among other basic safety educational training in order to improve their basic awareness about safety. In cases of accidents that lead to injuries, there is the abnormality and accident management system to ensure that employees have a safe and healthy work environment. The educational training provided in 2024 is shown in the table below: <table><tr><th>Area</th><th>Type of training</th><th>Total number of classes (class)</th><th>Number of attendees (person)</th><th>Total number of hours (hour)</th></tr><tr><td rowspan="5">Superior Industries(Shen Zhen) Co., Ltd.</td><td>Conduct employee fire safety education and training</td><td>1</td><td>262</td><td>262</td></tr><tr><td>Fire suppression training for team leaders</td><td>2</td><td>60</td><td>120</td></tr><tr><td>Fire safety emergency drills</td><td>2</td><td>286</td><td>572</td></tr><tr><td>Emergency rescue drills for special equipment safety</td><td>1</td><td>10</td><td>5</td></tr><tr><td>Confined space safety training</td><td>1</td><td>12</td><td>6</td></tr></table>	Area	Type of training	Total number of classes (class)	Number of attendees (person)	Total number of hours (hour)	Superior Industries(Shen Zhen) Co., Ltd.	Conduct employee fire safety education and training	1	262	262	Fire suppression training for team leaders	2	60	120	Fire safety emergency drills	2	286	572	Emergency rescue drills for special equipment safety	1	10	5	Confined space safety training	1	12	6	No deviation
	Area	Type of training	Total number of classes (class)	Number of attendees (person)	Total number of hours (hour)																								
Superior Industries(Shen Zhen) Co., Ltd.	Conduct employee fire safety education and training	1	262	262																									
	Fire suppression training for team leaders	2	60	120																									
	Fire safety emergency drills	2	286	572																									
	Emergency rescue drills for special equipment safety	1	10	5																									
	Confined space safety training	1	12	6																									

Evaluation item	Implementation status			Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons			
	Yes	No.	Brief description				
				Hazardous chemicals safety education and training	1	16	8
			Hazardous waste safety education and training	1	15	7.5	
			Hazardous waste management training	1	6	3	
			Environmental emergency training	1	6	3	
			Environmental emergency drills	1	6	3	
			Exhaust gas treatment operation training	1	6	3	
			Wastewater treatment operation training	4	7	14	
			Ultrapure water system operation training	4	3	6	
			Traffic safety training	2	76	76	
			Fire extinguisher usage training	1	13	6.5	
			Confined space training	3	35	52.5	
			Anti-leakage emergency drill	1	7	7	
			Chemical spill emergency drill	2	25	25	
			Personal protective equipment (PPE) usage safety training	2	56	56	
			Team leader basic fire suppression training	2	32	32	
			Electroplating chemical safety management and usage training	1	18	18	
			Employee anti-fraud education and training	1	27	13.5	
			Special equipment safety training	1	12	6	

Evaluation item	Implementation status		Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons					
	Yes	No.						
	Brief description							
		(elevator)						
		Post-holiday safety education and training	1	42	21			
		Fire emergency drill	2	550	1100			
		Hazardous waste management training	1	6	3			
		Wastewater treatment operation and maintenance manual training	1	3	3			
		Wastewater system operation training	5	4	10			
		Exhaust gas treatment equipment operation training	1	4	2			
		Environmental emergency training	1	5	2.5			
		Emergency drill for full wastewater collection tank	1	6	3			
		Ultrapure water operation training	4	3	6			
		Basic fire fighting and fire evacuation drills	6	43	258			
		First Aid & CPR	6	32	192			
	Forklift Truck Driving Techniques	7	14	98				
Superior Plating Technology (Thailand) Co., Ltd.	Orieantation(Safety)	1	71	71				
The 2024 drills are as follows: 1. Fire safety emergency drill once every six months 2. Fire emergency drill once a year 3. Emergency drill for wastewater leakage from the wastewater station once a year 4. Confined space training drill once a year Provide employees with a safe and healthy work environment:								

Evaluation item	Implementation status		Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No.	
(IV) Has the Company established an effective training program that helps employees develop skills over the course of their career?	V		No deviation
(V) Does the Company comply with laws and international standards concerning customer health and safety, customer privacy, marketing, and labelling of	V		No deviation

Evaluation item	Implementation status		Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No.	
products and services and define related policies and complaint-filing procedures to protect the rights of consumers or customers?			
(VI) Does the Company define supplier management policies and require that suppliers follow applicable regulations in issues such as environmental protection, occupational safety and health, or human rights of workers and how are they implemented??	V		No deviation
V. Does the Company prepare the Corporate Sustainability report to disclose non-financial information in accordance with internationally recognized sustainability report preparation standards and guidelines? Has the aforementioned report obtained the confirmation letter or assured opinions from a third party?		V	No deviation

Evaluation item	Implementation status		Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No.	
VI. If the Company has established its own sustainable development principles according to the Sustainable Development Best-Practice Principles for TWSE/TPEX-Listed Companies, please describe the differences between its implementation and the established principles: On November 11, 2024, the company's board of directors approved the renaming of the "Code of Practice for Corporate Social Responsibility" to the "Code of Practice for Sustainable Development" to strengthen the implementation of corporate social responsibility. The Company regularly reviews the implementation of the Code and makes improvements accordingly, and there has been no difference in implementation so far. VII. Other Important Information to Help Understand Implementation Status in the Promotion of Sustainable Developments: The company randomly distributes employee satisfaction questionnaires every year. The satisfaction survey items cover company management, working environment, working conditions, safety management, interpersonal relationships, welfare benefits, accommodation environment, education and training, etc. A "general manager mailbox" is also set up to provide a channel for company employees to reasonably express their opinions. Employees can express their opinions directly to the company's top management in a named or anonymous manner. The average employee satisfaction rate in 2024 is 84.66%. A total of 4 complaints were received in the general manager's mailbox in 2024. After checking the facts under the instructions of the general manager, the content of employee complaints has been improved one by one.			

Note 1: Climate-related information for TWSE/TPEx-listed companies
Implementation of climate-related information

Item	Implementation Status
1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and management.	In compliance with the vision and mission of the Company's ESG policy, the Company established the "ESG Team" in 2024, which is the highest sustainable development decision-making center within the Company. Chaired by the Chairman, the Group and a number of senior executives from different fields jointly review the Company's core operating capabilities, and the establishment of medium- and long-term sustainable development plans, and report the operation and execution to the Board of Directors every year. The "ESG Team" acts as a cross-departmental communication platform for integration and horizontal connection. The ESG Team is responsible for formulating and revising systems and specifications related to sustainability, supervising the Company's ESG policies and plans, regularly tracking and evaluating the progress and effectiveness of sustainable development. The ESG Team also ensures that sustainability strategies are fully incorporated into the Company's daily operations. Report to the board of directors every quarter the implementation status of the greenhouse gas exposure inventory and verification schedule, and the progress of its introduction.
2. Describe how the identified climate risks and opportunities affect the Company's business, strategy and finance (short-, medium-, and long-term).	Detailed instructions below note 1.
3. Describe the financial impact of extreme climate events and transformation actions.	
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	Understand global climate risk trends through conferences, education and training, etc., and have relevant departments assess the climate change risks and opportunities faced in operations, and then compile response strategies for high-risk and high-impact climate risks and opportunities as climate management. In order to effectively manage climate risks and opportunities,

		we continue to pay attention to climate risks that impact the company's operations, including international laws and regulations, extreme weather occurrences, etc.
5. If a scenario analysis is used to assess the resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be described.		N/A
6. If there is a transformation plan in place to manage climate-related risks, specify the content of the plan, and the indicators and targets used to identify and manage physical risks and transformation risks.		At present, the Company does not have a transition plan in place to manage climate-related risks.
7. If internal carbon pricing is used as a planning tool, the basis for setting the pricing shall be stated.		Currently, the Company does not utilize carbon pricing as a planning tool.
8. If climate-related goals have been set, specify the activities covered, the scope of GHG emissions, the planned schedule, and the progress made in each year. If carbon credits or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and quantity of carbon credits to be offset or the quantity of renewable energy certificates (RECs) shall be specified.		N/A
9. GHG inventory and assurance status, as well as reduction targets, strategies, and concrete action plans (indicated in 1-1 and 1-2 separately).		N/A

Note2:

Explanation: The company identifies possible climate risks and opportunities, their impact on the company's business, strategy and finance, and its transformation actions as follows:

Type	Issue	Risk factors	Potential financial impact	Response measures and plans
Transition risk	Policies and Regulations	4. Introduce carbon tax and carbon fee 5. Add relevant regulations 6. Increase in electricity bills	1. Increase operating costs 2. Increase budget and execution manpower to comply with new laws and regulations	6. When purchasing raw materials, try to choose low-carbon materials and plan to replace high-efficiency equipment. 7. Keep abreast of the expected progress of regulations and encourage employees to take relevant courses.
	Market	Raw material price fluctuations	Increase in operating costs	Always pay attention to the fluctuations of raw materials and make good use of raw material futures for hedging.
Physical	Immediacy	The increasing severity of	1. Extreme natural disasters may cause	1. Decentralize the storage locations of

risk	(short term)	extreme weather events such as typhoons and floods may lead to: 8. Operation/production line interruption. 9. Supply chain disruptions.	loss of assets or interrupt production line production, affecting operations 2. In order to maintain regular shipments, other supply chains need to be sought urgently, which may result in increased operating costs	important assets and reduce the risk of financial losses through insurance. 2. Avoid excessive concentration on specific suppliers.
	Long term	persistent high temperature	Increased water and electricity consumption	Use low-carbon raw materials and low-carbon equipment to reduce the impact of increased consumption.
Opportunity	Resource usage efficiency	Water resources recycling	Reduce operating costs	Establish a water resources management strategy to recycle wastewater for reuse °
	Products and Services	Develop low-carbon products	Expand customer base that values carbon footprint	Reduce production line carbon emission data and win orders from international customers.

2.3.6 Implementation Status of Ethical Corporate Management and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No.	Brief description	
1. Establishment of ethical corporate management policies and programs (1) Does the company have an ethical corporate management policy approved by its Board of Directors, and the Articles of Incorporation and publicly available documents address its ethical corporate policy and measures, and implementation of such policy committed by the Board of Directors and the senior management? (2) Whether the Company has established an assessment mechanism for the risk of unethical conducts, regularly analyzes and evaluates business activities with a higher risk of unethical conduct within its business scope, has formulated a program to prevent unethical conducts covering at least the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies? (3) Does the Company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the said program?	✓		(1) The Company's "Integrity Management Code" has been approved by the Board of Directors, which clearly stipulates that directors, managers and employees should comply with laws and regulations when performing their duties. The Board of Directors and management should commit to actively implement it and strictly follow it in internal management and external business activities. (2) The Company has established a "Code of Conduct for Integrity Management" as a plan for the Company to implement to prevent dishonest behavior, and also established a "Procedure for Preventing Insider Trading" for relevant personnel to follow when performing business. We also sign a "Guarantee Agreement" with suppliers, stating that we will eliminate dishonest behavior and that suppliers will provide integrity guarantees. (3) The Company prescribes the handling measures for unethical conducts in the "Procedures for Ethical Management", and promotes the importance of ethical conducts to employees at any time pursuant to such handling measures. Any violations will be handled in accordance with relevant regulations. The channels for appeals are also stated in the "Guarantee Agreement" with its suppliers.	(1) No deviation (2) No deviation (3) No deviation
2. Implementation of Ethical Management (1) Does the Company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	✓		(1) The Company has established an evaluation system for its customers and suppliers to confirm the authenticity of the company and to check past transaction records to confirm that there are no major abnormalities in the company's operating conditions. The Company also cooperates with	(1) No deviation

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No.	Brief description	
(2) Has the Company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	✓		customers to sign an "Integrity Agreement" and requires suppliers to sign a "Guarantee Agreement" and requires both parties to abide by the terms of good faith behavior. Behavioral records: it is advisable to avoid transactions with those with a history of dishonest behavior; the content of the contract signed with the trading partner should include clauses to comply with the integrity management policy. (2) The Company established the "Ethical Corporate Management Working Group" in 2024, with the President as the convener. The Ethical Corporate Management Working Group ensures the implementation of the Ethical Corporate Management Best Practice Principles according to the duties and scope of each unit. In order to prevent conflicts of interest and provide appropriate grievance channels, the Company has established the "Procedures for Ethical Management and Guidelines for Conduct. The implementation was reported to the Board of Directors on May 9, 2025. Relevant implementation in 2024: No grievances were filed or anti-corruption incidents occurred.	(2) No deviation
(3) Has the Company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	✓		(3) The Company's "Integrity Management Operating Procedures" have formulated relevant policies such as conflict of interest avoidance, and have set up a complaint channel to provide relevant personnel with an explanation of whether there is a potential conflict of interest between them and the Company. The Company has established an effective and complete accounting system and internal control system. The audit unit sets an audit plan every year and is responsible for regular and irregular audit operations. It also reports to the board of directors regularly and entrusts accountants to review the Company's financial statements regularly.	(3) No deviation
(4) Does the Company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk	✓		(4) The Company has a prudential accounting system and the dedicated accounting unit where all of its financial statements are audited by external auditors to ensure the fairness of financial statements; the internal audit personnel also conduct audits following the audit plan to confirm the effective	(4) No deviation

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No.	Brief description	
assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire external accountants to perform the audits? (5) Does the Company provide internal and external ethical corporate management training programs on a regular basis?	✓		operation of the Company's internal control system. (5) The Company declares its commitment in compliance with the regulations for ethical management in all meetings and internal announcements with the hope of actual practice. Internal and external education and training on ethical corporate management organized by the Company: In 2024, the Company organized internal and external training related to ethical corporate management issues (including courses related to professional ethics, legal responsibilities, corporate governance, accounting system and internal control) for a total of 6 people totaling total of 63 hours.	(5) No deviation
3. Implementation of Whistleblowing System (1) Has the Company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling reports from whistleblowers? (2) Has the company established standard operation procedures for investigating the matters reported, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner? (3) Has the Company adopted proper measures to protect whistleblowers from retaliation for whistleblowing?	✓ ✓ ✓		(1) When employees are aware of any conducts violating laws and regulations, they may report to the internal audit officer or other proper personnel, and the reported conduct will be specifically verified. If such a conduct is verified, the employee who made such a report will be rewarded as an incentive; relevant matters are handled by the Audit Office dedicatedly. (2) The Company's "Procedures for Ethical Management" encourage that when an employee discover any conduct that violates laws and regulations, he or she may report to the internal audit officer or other appropriate personnel, and confidential and protective measures shall be established subsequently. (3) For all whistleblowing cases, the Company protects whistleblowers from retaliations.	(1) No deviation (2) No deviation (3) No deviation
4. Enhancement of information disclosure Does the Company disclose its ethical corporate management policies and the results of their implementation on its website and the MOPS?	✓		The Company has adopted the "Ethical Corporate Management Best Practice Principles" and disclosed them on its website and the MOPS. There is dedicated unit responsible for the facilitation of policies related to ethical management.	No deviation

Evaluation item	Implementation status		Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No.	
5. If the Company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviations between the principles and their implementation: None.			
6. Other important information to facilitate a better understanding of the status of operation of the Company's ethical corporate management policies (e.g., the Company's reviewing and amending of its ethical corporate management best practice principles): The Company upholds the spirit of honest management, abides by the Company Law, the Securities and Exchange Law and other laws and regulations, and advocates that suppliers, directors, managers and colleagues implement the policy of honest management so that the company can develop towards the concept of sustainable management; for shareholders' investment, we use professional and diligent management to ensure fair, sustainable and competitive returns to create the best interests of shareholders; provide working conditions that protect the health and safety of each employee, listen to employees and face their complaints and problems sincerely, encourage and assist employees to develop relevant skills and knowledge, and avoid illegal activities. The company values every stakeholder to promote the sustainable development of the company.			

2.3.7 Other significant information that will provide a better understanding of the state of the Company's implementation of corporate governance may also be disclosed:

1. The Company discloses material information to investors in a timely manner and periodically holds investors conference to explain its operational status.
2. The Company has established the "Regulations Governing the Procedures for Preventing Insider Trading".
3. Employee ethical code of conduct:
 - (1) In its Work Rules, the Company explicitly states that employees shall neither conduct unlawful affairs, nor seek to reap illicit gains for themselves or others by taking advantage of their duties, nor take any gifts or other improper gains. Relevant penalties for violation are also prescribed in the Company's Regulations for Employee Rewards and Punishments to ensure its ethical management practice.
 - (2) In the orientation for new employees, the Company stresses on the promotion of business core values, of which, one is the "integrity", and emphasizes on the importance of work ethics in order to make them be aware of the Company's commitment in and policy of ethical management. Meanwhile, by integrating with the employee appraisal system, proper rewards and punishments can be administered in a timely manner.
 - (3) The Company's Work Rules cover following contents
 - I. Employees shall follow the following work rules during their service in the Company.
 1. All employees represent the Company publicly and thus shall do their best to maintain the Company's public image.
 2. Performing duties faithfully, complying with the Company's policies, system, bylaws and regulations, and obey the orders of supervisors within their scope of responsibility.
 3. Separating self from business, appreciating each other's personality, being sincere and collaborating to achieve business goals.

4. Following the reassignment made by the Company for business needs without any excuses.
5. Striving for accuracy for the performance of duties, and do not fear difficulties, avoid or delay for no reason.
6. Information on salaries is confidential and shall not be disclosed or enquired.
7. Gambling, fighting, drug use or any immoral conducts are prohibited at the workplace.
8. Without the consent of the Company, employees shall not read any documents, mails and accounting books unrelated to their jobs.
(Employees shall not leak the documents processed by themselves to any irrelevant third party.)
9. Obeying relevant regulations regarding employee safety and health to maintain the safety and health of the workplace and surrounding environment.

II. There shall not be any the following practices between the Company's business owner, owner's family members, or the Company's representatives and its employees, or between employees:

1. Insulting, despising or discriminating attitude or behavior due to gender difference.
2. Inappropriate, unpleasant, offensive language related to sex, physical touching or requests for sex.
3. Promise of return in exchange of sexual activities or conducts related to opposite gender.
4. Threats or punishments for requests of sexual activities or sex-related conducts.
5. Raping or sexual assaults.
6. Discrimination against women at workplace is not advised, such as displaying or posting erotica and etc.

III.

For preventing sexual harassments in workplace and maintain gender equality and dignity, the "Preventive Measures, and Regulations Governing Reporting and Punishments for Sexual harassments" was adopted to provide accesses for reporting and investigation. Once verified, the Company will administer punishments, ranging from admonition, minor mistake, major mistake, relocation or demotion, depending on severity, or terminate a labor contract according to Article 12 of the Labor Standard Act. For cases involving any criminal liability, the Company may transfer such cases to the judicial institute for action.

IV

In response to the prevention of sexual harassments, a sexual harassment investigation team was formed in accordance with the "Preventive Measures, and Regulations Governing Reporting and Punishments for Sexual harassments".

2.3.8 Implementation of internal control system

1. Statement of Internal Control: Please see below.

Superior Plating Technology Co., Ltd. Internal Control System Declaration



Date: March 14, 2025

For the Company's internal control system of 2024, it is hereby declared as follows according to self-assessment findings:

- I. The Company knows that establishing, enforcing, and maintaining an internal control system is the responsibility of the Company's Board of Directors and managers and has such a system in place already. It is meant to reasonably ensure fulfillment of the operational efficacy and efficiency (including profits, performance, and protection of asset security), reporting reliability, timeliness, transparency, and compliance with applicable regulations and laws and regulatory requirements, among other goals.
- II. The internal control system has its inherited restrictions that cannot be overcome with improved design. An effective internal control system can also only reasonably ensure the fulfillment of the three goals stated above and its effectiveness may change as the environment or situation changes. There is a self-surveillance mechanism, however, built inside the internal control system of the Company that helps the Company take corrective action against deficiencies confirmed.
- III. The Company determines the effectiveness of the design and implementation of its internal control system in accordance with the items in "Governing Regulations for Public Company's Establishment of Internal Control System" (hereinafter called "Governing Regulations") that are related to the effectiveness of internal control systems. The items adopted in the Governing Regulations for determining the internal control system are the five constitutional elements of the internal control system divided according to the management and control process: 1. control environment, 2. risk assessment, 3. control process, 4. information and communication, and 5. supervision. Each element further encompasses several items. For the above-mentioned items, refer to the requirements in the "Governing Regulations."
- IV. The Company has already adopted the aforesaid items to check the effectiveness in the design and implementation of its internal control system.
- V. Based on the evaluation results in the preceding paragraph, the Company believes that as of December 31, 2024, for its internal control systems (covering supervision and management of subsidiaries), which include understanding of the effectiveness of operations and the extent to which efficiency goals are achieved, the reporting is reliable, timely, transparent, and compliant with relevant laws and regulations, and the design and implementation of relevant internal control systems are effective to reasonably ensure the achievement of the objectives above.
- VI. This declaration constitutes a major part of the Company's Annual Report and the Company's Prospectus that are made available to the public. In case of falsification or concealment, among other illegal conditions, with the above-mentioned released contents, liabilities under Articles 20, 32, 171, and 174 of the Securities and Exchange Act will be sought.
- VII. This Declaration was approved at the meeting of the Company's Board of Directors on March 14, 2025 with _ directors expressing dissent out of the 7 directors in attendance.

Superior Plating Technology Co., Ltd.

Chairman: Hua, Lei-Je

Signature



General Manager: Wang, Hsin-Wei

Signature



2. Where a CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report: N/A

2.3.9 Material resolutions of shareholders' meetings or board of directors' meetings during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report.

1. Material resolutions of the shareholders meetings:

Shareholders' meeting	Date	Material resolution	Implementation Status
2024 general shareholders' meeting	2024.06.21	Ratification of the 2023 business report and financial statements.	The Company has also distributed relevant financial statements to shareholders as required by law.
		Ratification of the 2023 earnings distribution.	The resolution for 2023 was to distribute a cash dividend of 0.3 yuan, which was fully paid out on July 19, 2024 after the resolution of the shareholders' meeting.

2. Material resolutions of the board of directors' meetings:

Date	Material resolution
2024.06.21	Superior Plating Corp., a subsidiary of the company, plans to invest in Vietnam Liu Chun Intelligent Technology Co., Ltd. through a newly established Singapore reinvestment company. Breakdown of 2023 salary allocations to managers and employees.
2024.08.12	Business Report for the first half of 2024. Financial Statements for 2024Q2. Earnings Distribution Proposal for the first half of 2024. Purchase of directors liability insurance for the year 2024. The company's subsidiary Superior Plating CORP plans to purchase all the equity interests in the company's subsidiary Superior Plating Technology Holding (Thailand) Co., Ltd from Airich Investment Co., Ltd. and JPP Holding Company Limited. Case of transferring the number of shares bought back from the company's treasury shares to employees. Case of transferring the number of shares bought back from the company's treasury shares to employees. Formulate the company's "fifth repurchase of treasury shares and transfer to employee stock subscription standards and precautions". Salary adjustment of the Company's managers in 2024. Reviewing the performance assessment and the policies, systems, standards, and structure for the compensation of the directors and managerial officers.
2024.11.11	Financial Statements for 2024Q3. Revised the name and text of some provisions of the company's "Code of Practice for Sustainable Development" Formulate the company's "sustainable information management control operation" project 2024 Audit Plan. 2024 Business Plan. Plans to increase capital of subsidiary Superior Plating Corp. Endorsement guarantee limit case of newly added subsidiary Top-Team Technology (Shen Zhen) Ltd. Reviewing the distribution of 2024 annual bonuses for managerial officers. 2025 annual plan of the Remuneration Committee.
2025.01.23	Proposal for Increasing the Lending Limit of Funds.
2025.02.13	Proposal for Change of Chairman.
2025.03.14	2024 (Year 113) Annual Business Report 2024 Financial Statements Proposal for 2024 Second Half-Year Earnings Distribution and Ex-Dividend Date Determination

Date	Material resolution
	Proposal for Capital Increase through Earnings Transfer and Issuance of New Shares for the Second Half of 2024 2024 "Statement on Internal Control System" Proposal for Distribution of Remuneration to General Directors for 2024 Proposal for Distribution of Remuneration to Independent Directors for 2024 Proposal for Total Amount of Remuneration to Managers and Employees for 2024 Proposal for Defining "Grassroots Employees" Proposal for Partial Amendments to the Articles of Incorporation Regular Evaluation of the Independence of the CPA (Certified Public Accountant) Proposal for Lifting the Limit on Endorsements and Guarantees Proposal for Lending Limits of Funds Between the Company and Its Subsidiaries Proposal for By-election of Directors of the Company, for Approval Nomination and Review of the Board of Directors' List of Director Candidates Proposal for Convening the 2025 (Year 114) Annual General Shareholders' Meeting: Time, Venue, and Agenda Proposal for Investment in Establishing a Subsidiary in Vietnam to Meet Business Needs Proposal for Plant Construction by the Company's Subsidiary, Superior Plating Technology (Thailand) Co., Ltd. Proposal for Credit Facility Application to Taipei Fubon Commercial Bank Proposal for Appointment Contract of Professional Managers Proposal for Managerial Salary Adjustment
2025.04.07	Proposal to appoint Mr. Hua Lei-Je as Chief Executive Officer. Proposal to appoint Ms. Lin Jen-Yi as Chief Strategy Office. Proposal to appoint Ms. Chan, Hui-Shan as Chief Financial Officer. Proposal to appoint Ms. Chung Yu-Hsuann as Chief Accounting Officer. Proposal to adjust the salary structure of General Manager Mr. Wang, Hsin-Wei and to revise the appointment contract. Proposal to adjust the salary structure of Chief Auditor Ms. Chung, Lin and to revise the appointment contract. Proposal on the detailed distribution of remuneration for managers and employees for the year 2024. Proposal to amend the Table of Approval Authorities.
2025.05.09	Proposal to conduct the sixth share repurchase by the Company.

2.3.10 During the most recent fiscal year and up to the publication date of the annual report, if any director had a dissenting opinion regarding material resolutions passed by the Board of Directors, and such opinion was recorded or stated in writing, the principal content thereof: None.

2.4 Information on the professional fees of the attesting CPAs:

2.4.1 Information on the professional fees of the attesting CPAs

Unit: NT\$ thousand

Name of accounting firm	Name of CPA	Period covered by the CPA audit	Audit fees	Non-audit fees	Total	Remark
Deloitte	Liang, Tanti Yu, Robert	2024.01.01- 2024.12.31	2,490	210	2,700	-

Note: Non-audit public expenditure is the taxation/certification charge and costs of review of the Annual Report during the shareholders' meeting, and review of the IT environment.

2.4.2 When the Company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: N/A.

2.4.3 When the audit fees paid for the current fiscal year are lower than those for the previous fiscal

year by 15 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed:N/A.

2.5 Information on replacement of CPAs: None

2.6 Where the Company's chairperson, general manager, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm: None.

2.7 Any transfer of equity interests and/or pledge of or change in equity interests by a director, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

2.7.1 Change in equity interests by a director, managerial officer or major shareholder

Unit: Shares

Title	Name	2024		Current fiscal year up to Apr 22	
		Increase (decrease) in shareholding	Increase (decrease) in share pledged	Increase (decrease) in shareholding	Increase (decrease) in share pledged
Chairman	Li, Su-Pai	(173,000)	100,000	(157,000)	
Director	HuiSheng Investment Co., Ltd. Representative: Lu, Teng-Hsi	-	400,000	(76,000)	-
Director	ChiaChuan Investment Co., Ltd. Representative: Wu, Chia-Chuan	-	-	-	-
Director	ChiaChuan Investment Co., Ltd. Representative: Hua, Lei-Je	-	-	-	-
Director	Yuyi Investment Co., Ltd. Representative: Chang, Hsiu-Hsiang	-	-	-	-
Director	Mingqi Investment Co., Ltd. Representative: Wu, Mao-Yuan	-	-	-	-
Director	Mingqi Investment Co., Ltd. Representative: Lin, Jen-Yi	-	-	-	-
Director	Hua, Lei-Je(Note)				
Independent Director	Wang, Yu-Sheng				
Independent Director	Pang, I-Mao				
Independent Director	Chiang, Tsai-Lin				
General Manager	Wang, Hsin-Wei	130,000	-	(2,000)	-
Special Assistant to Chairman	Lee, Ming-Cheng	-	-	-	-
Manager of the Administration Department and Finance Department	Lu, Chih-Hui	58,000	-	-	-

Assistant General Managers	Wang, Hsin-Wei	-	-	-	-
Finance Manager	Chan, Hui-Shan	-	-	-	-
Spokesman	Yu, Po-Chang				
Assistant Manager of the Internal Audit Department	Chung, Lin	-	-	-	-
Manager of Accounting Department	Lee, Yu-Hsuan	31,000	-	-	-
Corporate Governance Officer/ Accounting Manager	Chung, Yu-Hsuan	11,000	-	(1,000)	-
Shareholder with a stake of more than 10 percent	HuiSheng Investment Co., Ltd.	5,000	(110,000)		500,000

Note1 Director Hua Lei-Je resigned as director on February 29, 2024, became the representative of ChiaChuan Investment on February 13, 2025, and became the chairman of the board on February 13, 2025.

Note2 Director Li Su-Pai resigned as chairman on February 13, 2025, and was dismissed on March 10, 2025.

2.7.2 Where the counterparty in any such transfer of equity interests is a related party: None.

2.7.3 Where the counterparty in any such pledge of equity interests is a related party: None.

2.8 Relationship information on any of the Company's top 10 shareholders who is a related party or a relative within the second degree of kinship of another:

April 22, 2025; unit: shares; %

Name	Personal shareholding		Shareholding of spouse and/or children of minor age		Total shareholding in the name of others		The name and relationship of any of the Company's top 10 shareholders who is a related party or a relative within the second degree of kinship of another.		Remark
	Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage	Name	Relationship	
HuiSheng Investment Co., Ltd.	5,425,776	12.22	—	—	-	-	-	-	-
Representative Huang, Yue-E	12,371	0.03	2,296	0	-	-	-	-	-
Hsiao Tzu-Yin	2,010,000	4.53							
Yuyi Investment Co., Ltd.	1,976,000	4.45	-	-	-	-	-	-	-
Representative: Chang, Hsiu-Hsiang	-	-	-	-	-	-	-	-	-
ChiaChuan Investment Co., Ltd.	1,947,000	4.39	-	-	-	-	-	-	-
Representative: Wu, Chia-Chuan	15,000	0.03	1,000	-	-	-	-	-	-
Wu Fu International Capital Co., Ltd.	1,621,000	3.65							
Mingqi Investment Co., Ltd.	1,053,592	2.37	-	-	-	-	-	-	-
Representative: Wu, Mao-Yuan	-	-	-	-	-	-	-	-	-
Lin, Ren-Nong	965,000	2.17	-	-	-	-	-	-	-
Lai Fu-Min	1,000,000	2.25	-	-	-	-	-	-	-
Shen Jiao-E	833,000	1.88	-	-	-	-	-	-	-
Sung, Cheng-Hsi	740,000	1.67	-	-	-	-	-	-	-
Hsieh Wen-Fu	720,000	1.62	-	-	-	-	-	-	-

2.9 The total number of shares and total equity stake held in any single enterprise by the Company, its directors and managerial officers, and any companies controlled either directly or indirectly by the Company

Unit: Thousand shares; %

Investee (Note 1)	Investment by the Company		The Company, managerial officers, and any companies controlled either directly or indirectly by the Company		Total investment	
	Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage
Superior Plating Corp.	11,976	100	-	-	11,976	100
Ever Superior Technologies Corporation	6,300	35	-	-	6,300	35
Extensive Management Consultant Inc.	1,000	100	-	-	1,000	100
Superior Drilling (HK) Limited	89,000	100	-	-	89,000	100
Superior Plating Technology Holding (Thailand) Co. Ltd.	5,530	89	-	-	5,530	89
Superior Plating Technology (Thailand) Co. Ltd.	2,192	66	-	-	2,192	66
Superior Plating Technology (Singapore) Pte. Ltd	Note 3	Note 3	-	-	Note 3	Note 3
Superior Industries (Shen Zhen) Co., Ltd.	Note 2	100	-	-	Note 2	100
Top-Team Technology (Shen Zhen) Ltd.	Note 2	100	-	-	Note 2	100
Dongguan Guanjie Metal Surface Treatment Co., Ltd.	Note 2	10	-	-	Note 2	10

Note 1: It is a long-term investment accounted for using equity method.

Note 2: It is a limited company, so there is no share.

Note 3: Completed the relevant establishment registration in July 2024. As of December 31, 2024, no registered capital has been invested yet.

03.Funding

3.1 Capital and shares

3.1.1 Sources of capital:

Unit: thousand shares; NT\$ thousand

Year/ Month	Issued price	Authorized capital		Paid-in capital		Remark		
		Number of Shares	Amount	Number of Shares	Amount	Sources of capital:	Capital paid in by property other than cash	Other
2008/09	10.00	50	500	50	500	Initial capital of NT\$500 thousand at incorporation	None	Fu-Chan-Ye-Shang-Letter No.09789527310 on September 24, 2008.
2009/08	14.62	50,000	500,000	22,500	225,000	Capital increase of NT\$224,500 thousand	None	Fu-Chan-Ye-Shang-Letter No.09887649200 on August 18, 2009.
2009/08	30.00	50,000	500,000	30,000	300,000	Capital increase of NT\$75,000 thousand	None	Fu-Chan-Ye-Shang-Letter No.09887649200 on August 18, 2009.
2009/11	30.00	50,000	500,000	31,500	315,000	Capital increase of NT\$15,000 thousand	None	Fu-Chan-Ye-Shang-Letter No.09890431520 on November 20, 2009.
2010/07	41.00	50,000	500,000	32,500	325,000	Capital increase of NT\$10,000 thousand	None	Fu-Chan-Ye-Shang-Letter No.09986541500 on August 4, 2010.
2010/11	41.00	50,000	500,000	36,000	360,000	Capital increase of NT\$35,000 thousand	None	Fu-Chan-Ye-Shang-Letter No.09990876710 on December 27, 2010.
2012/10	32.00	50,000	500,000	37,200	372,000	Capital increase of NT\$12,000 thousand	None	Jin-Guan-Zheng-Fa-Letter No. 1010035355 issued by the Financial Supervisory Commission on August 10, 2012.
2015/03	35.50	50,000	500,000	41,850	418,500	Capital increase of NT\$46,500 thousand	None	Zheng-Gui-Shen-Letter No.1030035753 issued by Taipei Exchange on January 12, 2015.
2015/12	10.00	50,000	500,000	42,462	424,620	Common shares issuance of NT\$6,120 thousand for the exercise of employee warrants	None	Fu-Chan-Ye-Shang-Letter No.10490143810 on December 1, 2015.
2016/01	10.00	50,000	500,000	42,726	427,260	Common shares issuance of NT\$2,640 thousand for the exercise of employee	None	Fu-Chan-Ye-Shang-Letter No.10580339810 on January 22, 2016.

Year/ Month	Issued price	Authorized capital		Paid-in capital		Remark		
		Number of Shares	Amount	Number of Shares	Amount	Sources of capital:	Capital paid in by property other than cash	Other
						warrants		
2016/05	10.00	50,000	500,000	43,855	438,548	Common shares issuance of NT\$11,288 thousand for the convention of convertible corporate bonds	None	Fu-Chan-Ye-Shang-Letter No.10585626900 on May 20, 2016.
2016/08	10.00	50,000	500,000	44,753	447,526	Common shares issuance of NT\$8,978 thousand for the convention of convertible corporate bonds	None	Fu-Chan-Ye-Shang-Letter No.10591445000 on August 23, 2016.
2016/11	10.00	50,000	500,000	44,822	448,216	Common shares issuance of NT\$690 thousand for the exercise of employee warrants	None	Fu-Chan-Ye-Shang-Letter No.10594457800 on November 22, 2016.
2017/01	10.00	50,000	500,000	44,948	449,476	Common shares issuance of NT\$1,260 thousand for the exercise of employee warrants	None	Fu-Chan-Ye-Shang-Letter No.10651042500 on January 25, 2017.
2017/08	10.00	50,000	500,000	44,184	441,836	Cancellation of treasury shares amounting NT\$7,640 thousand	None	Fu-Chan-Ye-Shang-Letter No.10660555910 on August 21, 2017.
2017/12	10.00	50,000	500,000	44,238	442,376	Common shares issuance of NT\$540 thousand for the exercise of employee warrants	None	Fu-Chan-Ye-Shang-Letter No.10660555910 on December 5, 2017.

Year/ Month	Issued price	Authorized capital		Paid-in capital		Remark		
		Number of Shares	Amount	Number of Shares	Amount	Sources of capital:	Capital paid in by property other than cash	Other
2018/05	10.00	50,000	500,000	44,260	442,598	Common shares issuance of NT\$222 thousand for the convention of convertible corporate bonds	None	Fu-Chan-Ye-Shang-Letter No.10749333000 on May 24, 2018.
2018/09	10.00	50,000	500,000	44,264	442,642	Common shares issuance of NT\$44 thousand for the convention of convertible corporate bonds	None	Fu-Chan-Ye-Shang-Letter No.10753017300 on September 5, 2018.
2018/12	10.00	50,000	500,000	44,807	448,065	Common shares issuance of NT\$5,422 thousand for the convention of convertible corporate bonds	None	Fu-Chan-Ye-Shang-Letter No.10755978400 on December 3, 2018.
2019/04	10.00	50,000	500,000	44,455	444,555	Cancellation of treasury shares amounting NT\$3,510 thousand	None	Fu-Chan-Ye-Shang-Letter No.10848311410 on April 20, 2019.
2023/05	10.00	100,000	1,000,000	44,391	443,915	Cancellation of treasury shares amounting NT\$64 thousand	None	Fu-Chan-Ye-Shang-Letter No.11249431710 on May 26, 2023.

Unit: Shares

Type of stock	Authorized capital			Remark
	Outstanding shares	Unissued shares	Total	
Common stock	44,391,482	55,608,518	100,000,000	Shares listed on the TPEX

3.1.2 List of major shareholders

April 22, 2025

Shares Name of major shareholde	Number of shares held	Shareholding ratio
HuiSheng Investment Co., Ltd.	5,425,776	12.22
Hsiao Tzu-Yin	2,010,000	4.53
Yuyi Investment Co., Ltd.	1,976,000	4.45
ChiaChuan Investment Co., Ltd.	1,947,000	4.39
Wu Fu International Capital Co., Ltd.	1,621,000	3.65
Mingqi Investment Co., Ltd.	1,000,383	2.25
Lai Fu-Min	1,000,000	2.25
Shen Jiao-E	833,000	1.88
Sung, Cheng-Hsi	740,000	1.67
Hsieh Wen-Fu	720,000	1.62

3.1.3 Company's dividend policy and implementation status

1. The dividend policy prescribed in the Articles of Incorporation:

If the Company records profit before tax in a fiscal year, it shall appropriate 5%~10% as the employees' compensation distributed in shares or cash by a resolution of the board of directors. Employees who are entitled to the compensation include employees of its affiliates who meet certain requirements; the Company may appropriate no more than 5% of the aforementioned profit as the directors' compensation by a resolution of the board of directors' meeting. The distribution of employees' and directors' compensation shall be first reported to the shareholders' meeting. However, if there is any accumulated losses, it shall first offset the losses and then appropriate employees' and directors' compensation according to the aforementioned percentages.

The Company is in the growth stage of its business life cycle when it shall consider the effects of future business expansion, capital needs and taxation on the Company and its shareholders, so its dividend policy is mainly based on the capital needs arising from the future capital budget, and the cash dividend of its future dividend distribution will not be less than 5% in principle.

The Company's earnings may be distributed or offset deficits at the end of each fiscal year. If there are any earnings in the first half of the fiscal year, the Company should first estimate the

amount of earnings, retain the tax payable, offset the accumulated losses in accordance with the law. 10% of the earnings shall be set aside as legal reserve, unless it has already reached the amount of paid-in capital, and then set aside or reverse a special reserve in accordance with the law or as required by the competent authority.

The Board of Directors shall prepare a proposal for the distribution of any remaining earnings together with the accumulated undistributed earnings of the previous period. In the case of new share issuance, the distribution shall be submitted to the shareholders' meeting for resolution; in the case of cash, the Board of Directors shall resolve on the distribution. There is no need to submit the above to the shareholders' meeting for approval.

When there is a surplus in the annual final accounts, in addition to paying income tax and offsetting prior years' deficits, the remainder is distributed as follows:

- (1) 10% of the balance shall be set aside as a legal reserve. However when the legal reserve amounts to the authorized capital, this shall not apply.
- (2) When necessary, a special reserve may be allocated or reversed in accordance with the law.

If a surplus remains, the balance combined with undistributed retained earnings from preceding periods shall be distributed according to the distribution plan proposed by the Board of Directors. If distributing in the form of new shares to be issued, the proposal shall be submitted to the shareholders' meeting for resolution.

In accordance with Article 240, Paragraph 5 of the Company Act, the Board of Directors is authorized to distribute dividends and bonuses or the whole or in part of the legal reserve and capital surplus as provided in Article 241, Paragraph 1 of the Company Act, in the form of cash, with the a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and to report such distribution to the shareholders' meeting. If distributing in the form of new shares to be issued, the proposal shall be submitted to the shareholders' meeting for resolution.

2. The dividend distribution plan proposed in this shareholders' meeting:

On March 14, 2025, the company's board of directors resolved to distribute cash of RMB 0.1 and issue shares of RMB 1 from the profit in 2024.

3. Explanation for any expected material change in dividend policy: None.

3.1.4 Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted in this shareholders' meeting: N/A.

3.1.5 Employees' and directors' compensation

1. The percentages or ranges with respect to employees' and, directors' compensation set forth in the Company's Articles of Incorporation:

If the Company records profit before tax in a fiscal year, it shall appropriate 5%~10% as the employees' compensation distributed in shares or cash by a resolution of the board of directors. Employees who are entitled to the compensation include employees of its affiliates who meet certain requirements; the Company may appropriate no more than 5% of the aforementioned profit as the directors' compensation by a resolution of the board of directors' meeting. The distribution of employees' and directors' compensation shall be first reported to the shareholders' meeting. However, if there is any accumulated losses, it shall first offset the losses and then appropriate employees' and directors' compensation according to the aforementioned percentages.

2. The basis for estimating the amount of employees' and directors' compensation, for calculating the number of shares to be distributed as employees' compensation, and the accounting treatment of the discrepancy:

(1) For the year 2024, the estimated amounts for employees' compensation and directors' compensation are NT\$5,275 thousand and NT\$2,814 thousand, respectively, with no differences from the originally estimated amounts.

(2) If there are significant changes to the distribution amounts resolved by the Board of Directors before the approval and issuance date of the annual consolidated financial statements, such changes will be adjusted against the originally recognized annual expenses. If changes occur after the approval and issuance date, they will be treated as changes in accounting estimates and adjusted in the following year.

3. Compensation distributions approved by the board of directors:

(1) The amount of any employees' and directors' compensation distributed in cash or shares:
For the year 2024, the Board of Directors approved the distribution of employees' compensation and directors' compensation in the amounts of NT\$5,275 thousand and NT\$2,814 thousand, respectively, and the full amounts have been distributed.

(2) The amount of any employees' compensation distributed in stocks, and the amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employees' compensation: N/A.

4. The actual distribution of employees' and directors' compensation for the previous fiscal year, and, if there is any discrepancy between the actual distribution and the recognized employees' and directors' compensation, additionally the discrepancy, cause, and how it is treated: The actual amounts of remuneration to employees and directors distributed in 2023 was NTD 4,289 thousand ; No difference from the recognized amount.

3.1.6 Shares repurchases by the Company:

Buyback Period	Third Buyback	Fourth Buyback	Fifth Buyback	Sixth Buyback
Purpose of Buyback	Transfer of shares to employees	Transfer of shares to employees	Transfer of shares to employees	Transfer of shares to employees
Actual Buyback Period	April 6, 2020 to May 22, 2020	October 8, 2021 to December 2, 2021	October 7, 2022 to December 2, 2022	Note1
Buyback Price Range	29.80 ~ 66.70	45.00 ~ 60.00	35.00 ~ 55.00	Note1
Types and Quantities of Shares Bought Back	64,000 common shares	523,000 common shares	368,000 common shares	350,000 common shares(Note2)
Amount of Shares Bought Back	NT\$3,123,681	NT\$30,480,822	NT\$19,049,076	NT\$18,374,597(Note2)
Number of Shares Cancelled or Transferred	Cancelled	0	Fully transferred	Not applicable
Cumulative Number of Shares Held by the Company	64,000 common shares	587,000 common shares	955,000 common shares	873,000 common shares(Note2)
Cumulative Percentage of Total Issued Shares Held (%)	0.14%	1.32%	2.15%	1.97%(Note2)

Note1: The Company's sixth buyback period is from April 11, 2025 to June 10, 2025, and as of the date of the annual report's publication, the buyback is still in progress.

Note 2: Data as of April 22, 2025.

3.2. Issuance of Corporate Bonds: None.

3.3. Issuance of Preferred Shares: None.

3.4. Issuance of Global Depositary Receipts: None.

3.5. Issuance of Employee Share Warrant: None.

3.6. Issuance of Restricted Shares: None.

3.7. Issuance of new shares in connection with mergers or acquisitions: None.

3.8. Implementation of Capital Allocation Plans: None.

04.Overview of Business Operation

4.1.Business overview

4.1.1Scope of Operation

1. Main scope of operation:

Superior Plating Technology is a professional surface treatment R&D and peripheral package advisory service provider.

Main scope of operation:

- I. R&D and processing of metal and plastic surface treatment technologies.
- II. Surface treatment-related package measures advisory service, including environmental protection, automation, and management.

2. Operational weight:

Unit: NT\$ thousand; %

Main product	2024	
	Amount of sales	Operational weight (%)
Net processing income	1,028	99.9%
Net labor income	1	0.1%
Total	1,029	100.00

3. Current products (services) of the Company:

The Company mainly provides various types of professional surface treatment services to manufacturers of parts and components such as those of hard disk drives, adapters, automobiles, communication devices, medical devices, and 3C products, including chemical nickel plating, semi-bright nickel, bright nickel, chemical polishing, pearl nickel, tin nickel, and continuous gold and nickel plating, among others.

4. New products (services) to be developed:

It is expected that the Company will invest 2.5–5% of its revenue in R&D for 2025; it, however, will be adequately planned and adjusted reflective of the global market condition and the actual operational status of the Company.

For the future, the R&D plan includes continuous enhancement of the specifications of existing products and proactive development of techniques or matching equipment needed go to with the local governmental policy or reflective of the market trends in the coming years as follows:

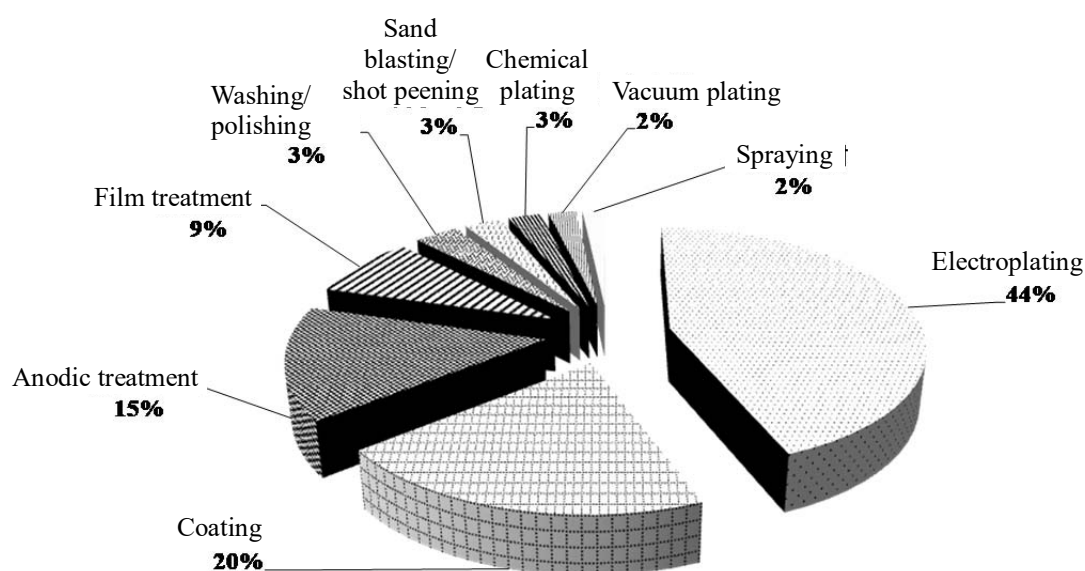
- (1) Low-cost chemical nickel technologies.
- (2) Development of roll-to-roll continuous electroplating techniques.
- (3) Development of special noble metal electroplating techniques.
- (4) Surface treatment required for thermal modules.
- (5) Metal recycling and refining equipment.
- (6) Industrial wastewater and waste solution-reducing equipment.

4.1.2 Industrial Overview

1. Current Status and Development of the Industry

The surface treatment industry is not only known for being technology-intensive and high value-added, but also crucial and university to add to the value of various types of terminal products. This is why, the surface treatment industry has been reputed as “product beautician.” The main characteristics of the surface treatment industry in our country are described as follows:

- (1) Surface treatment mainly exists as a small-to-medium-sized enterprise or an internal department of a complete plant. It is, however, precision manufacturing in nature and hence most of the enterprises are professional technology-oriented OEM plants. Surface treatment is one of the metal product processing techniques and is auxiliary to various types of products. Therefore, adding value to products is crucial to this industry.
- (2) Surface treatment is an indispensable industry. Most of the practitioners set up their presence near the product supply chain. It is an industry highly clustered.
- (3) The electroplating sector accounts for a majority, about 44%



Structure of surface treatment suppliers in our country

Source: Taiwan Surface Finishing Association, Metal Industries Research & Development Centre (MII-ITIS)

The surface treatment industry in our country had a production value of NT\$ 158.4 billion in 2021, including domestic sales of NT\$ 67.2 billion, a growth of 37.3% from the preceding year, and exports of NT\$ 67 billion, a significant growth of 83% from the preceding year. The domestic metal surface treatment industry consists of hot-dip zinc-coated steel coils, color steel coils, other plated steel coils, and other metals and metal products. Hot-dip zinc-coated steel coils, in particular, had a production value of NT\$ 77.8 billion, a growth of 81% from the preceding year. The production value of color steel coils was NT\$ 28.6 billion, a growth of 53% from the preceding year. The production of other plated steel coils was NT\$ 16.5 billion, a growth of 60% from the preceding year. As for the other metal and metal products, the production value was NT\$ 35.5 billion, a growth of 42% from the preceding year.

2. Industrial structure

(1) Industrial correlation chart and representative manufacturers

i. Upstream:

The upstream materials for the surface treatment industry mainly consists of substrates and modifiers or coating materials. Substrates are the fundamental castings such as blocks and tablets obtained by refining various types of metals and alloys by the metal parts and components manufacturers or the various types of crude embryos such as boards, bars, blocks, tablets, and sticks. They are further processed to become parts and components of specific shapes and properties in order to meet the needs of applied products in the downstream. As for modifiers or coating materials, they are the various surface treatment chemicals produced by the surface treatment raw material manufacturers and sold to metal surface processors reflective of the surface treatment technique and quality criteria. At present, a majority of chemical agents used in domestic wet processes still come from Europe and America, such as the world's largest solution supplier ATOTECH. To successfully introduce the Company's products into domestic production lines, two R&D centers have been set up. Representative domestic manufacturers, on the other hand, include Shou-Jen Plating Materials Co., Huan Yu Chemical Industry Co., Ltd., and Taiwan Uyemura Co., Ltd. In terms of the supply of dry materials, Solar Applied Materials Technology Corp is the only company of scale and mainly supplies metal target products while most of the others are from America, Japan, and Europe.

ii. Peripherals:

The surface treatment equipment sector is a peripheral support sector crucial to the surface treatment industry. It is indispensable. Due to the fact that the process technology in the surface treatment industry is quite diverse and diversified, it has given rise to respective specialized professional equipment manufacturers, too. Representative ones include Peruse Technologies Co., Ltd., Hung Li Machinery Industrial Co., Ltd., Process Advance Technology Ltd., Rich Sou Technology Co., Ltd., Worldclean Industrial Co., Ltd., Ei Dorado Crop., Dah Young Vacuum Equipment Co., Ltd., and Uvat Technology Co., Ltd.

iii. Midstream:

Surface treatment practitioners obtain metal materials or metal parts and components from their upstream and obtain surface treatment raw materials from the raw material supplier. A suitable surface treatment technique, such as electroplating, chemical plating, hot-dip plating, chemical treatment and vapor disposition, is selected reflective of the various characteristics required for different fields of application, such as corrosion resistance, wear resistance, adhesion, conductivity, and thermal transmission, etc. to apply the top film over the metal materials or metal parts and components.

iv. Distribution network:

Basically, metal surface treatment plants can be divided into two major categories: professional surface treatment and general product manufacturing surface treatment (that is, as a side business). The former mainly makes profits through surface treatment and processing while the latter is only part of the production system. Many automotive, motorcycle, home appliance, furniture, and electronics manufacturers, for example, have an electroplating or coating

department that is responsible for the surface treatment of all or part of self-owned parts or products.

Product manufacturers are known for their relatively abundant funds and there are more self-owned parts or products requiring surface treatment and they are stable, with higher quality requirements; therefore, investment expenditure on the equipment is relatively significant. As a result, automotive and motorcycle manufacturers of scale have transformed towards automation. Among the professional plants, on the other hand, due to funds and market, only a few dare to increase their investments and have automatic equipment. Product plants, however, focus mainly on creating the overall value of products, unlike professional surface treatment plants that emphasize the cost and profit of surface treatment.

V. Downstream:

The downstream to apply surface treatment is generally machinery equipment manufacturers, metal structure and construction component manufacturers, metal container manufacturers, screw, nut, and rivet manufacturers, computer and peripheral equipment manufacturers, home appliance manufacturers, automotive and their parts, ships and their parts manufacturers and repairers, etc.

Surface Treatment Industrial Correlation in our Country

	Product chain	Industry/representative manufacturer
Upstream	Processing solutions, coatings, and targets	ATOTECH Taiwan, MACDERMID Taiwan, Shou-Jen, Huan Yu Chemical, Taiwan Uyemura, Merck Taiwan, Yong-Ji, Kuang-Yang
Peripherals	Surface treatment equipment and peripherals	Yui-Tai, Hung-Li, Process Advance, Rich Sou, Worldclean Yi-Du, Dah Young Vacuum, Longpian
Mid-stream	Carbon penetration, nitrogen penetration, electroplating, coating, spraying, vacuum plating, polishing, shot peening	Poteng, Weisu, Superior, Xieshun, Fulong, Fuye, Taiwan Totai, Yiyang, Teyi, Meishangmei, Hantai, Dechun
Distribution network	Product manufacturers	Mainly the domestic OEM market and then the self-owned distribution network of product manufacturers.
Downstream	Transport, machinery, construction, furniture, electronic and mechanical, medical devices	Yulong, Ford, Giant, Merida, Acer, Asus, Foxconn, Victor Taichung Machinery, AUO, Chi Mei, Globe Union, Taiwan Fu Hsing, KMC, King Slide, United Orthopedic.

Source: Industries Research & Development Centre (MII-ITIS)

Despite the fact that electroplating can bring about extremely high value-added for products, practitioners need to pay huge costs associated with environmental pollution during the production process. In terms of the cost, most expensive raw materials need to be imported, such as gold, silver, nickel, and tin. Among the test

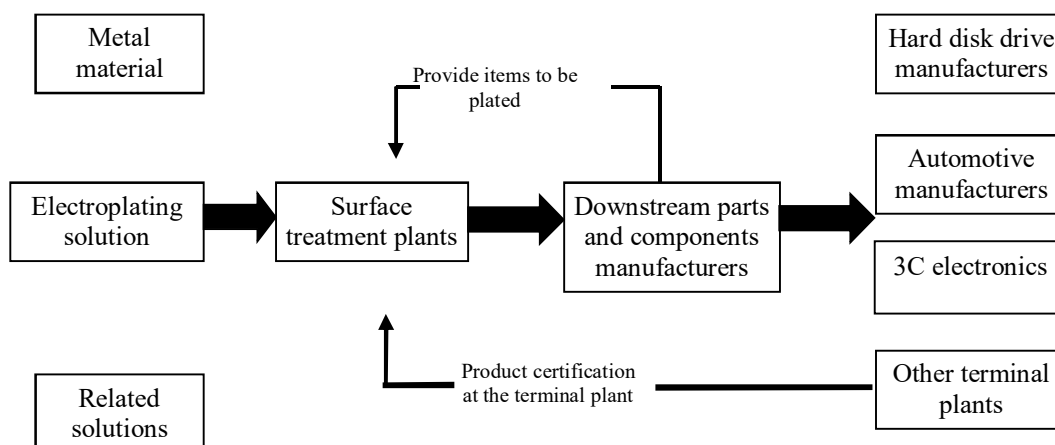
instruments, 75% are imported, too. Once prices of international raw materials or regular materials or foreign exchange rates climb, the practitioners will bear undesirable impacts such as the production cost. Therefore, to save the cost, a lot of them are relocated in Mainland China and Southeast Asia.

Surface treatment has been playing a crucial role in both traditional industries and modern high-tech industries. There are few domestic surface treatment technologies independently researched and developed. Most of them rely on foreign suppliers or dealers. In other words, it is inevitable for the quality of our products to be inferior to that of those from other countries. The reputation and value added of the products can hardly be enhanced. To enhance the surface treatment industry, great efforts are required to enhance the surface treatment technology. The government shall also devote itself to developing related talent and encourage the R&D to help enhance the industry.

In terms of operation and production, it is a must to increase the scale of the industry. General professional manufacturers are not of a large scale. Their operation is relatively decentralized. As a result, the cost of products is relatively high and there are no competitive advantages in the market; it can hardly attract investors. A surface treatment industrial park shall be established for centralized management to facilitate technical upgrade and transformation so that industry clusters can form in both the upstream and the downstream. Another strength of the surface treatment industrial park is the improvement and control of pollution. Electroplating is a sector known for its relatively high ratio of pollution treatment cost to total investment (for a small electroplating plant, the investment in building environmental protection treatment facilities accounts for about 75% of the overall electroplating production investment). Therefore, with centralized management of the manufacturers, pollutants can be managed centrally, too and the sewage discharge system can be set up to ensure the safety of the water environment in surrounding watersheds. The ecological circular economy industry chain of “resources consumption → product → regeneration of resources” can take shape in the park. This way the domestic industry will be able to compete with its foreign counterparts and bring about greater business opportunities.

(2) Correlation among upstream, mid-stream, and downstream of the industry

The supply chain for the surface treatment industry can mainly be divided into upstream material suppliers, downstream parts and components manufacturers, and terminal product manufacturers. Surface treatment plants are in the mid-stream and can be further divided into captive shops under the product manufacturing sector and job shops that mainly takes production orders. In the past there were more professional processing plants while for the past few years, to reduce the transport cost and shorten the lead time, parts and components manufacturers have begun to have their in-house facilities for self-production. The processed products, however, are limited to more low-end parts and components. Parts and components having gone through surface treatment, on the other hand, are handed first to the parts and components manufacturers for fine assembly and to the terminal manufacturers for general assembly. The overall production and manufacturing processes are managed through the supply chain.



3. Various development trends of main terminal products of the Company

(1) HDD:

The sales situation of the traditional hard disk market in 2024 will be multi-faceted, as follows:

In terms of shipments: In the first quarter of 2024, global mechanical hard drive shipments reached 29.7 million units, an increase of 3% from the previous quarter. In the second quarter of 2024, HDD shipments increased by 2% from the previous quarter, reaching 30.28 million units.

In terms of market size: The global traditional hard drive market is expected to reach US\$19.93 billion in 2024. Despite the impact of solid-state hard drives, the surge in global data volume has boosted demand for traditional hard drives, causing the market size to maintain steady growth.

In terms of market structure: The enterprise-level mechanical hard drive market has a higher growth rate than the consumer-level mechanical hard drive market. In some specific industrial applications, monitoring storage, network storage and other fields that have high demand for high-capacity and long-term data storage but low read and write speed requirements, traditional hard drives are still an economical choice.

Average capacity: In the second quarter of 2024, the overall average HDD capacity reached 9.3TB, an increase of 6% from the previous quarter, and the average capacity of near-line HDD was 16.3TB, an increase of 3% from the previous quarter, indicating that the market demand for larger-capacity HDDs continues to rise.

In terms of major manufacturers: Western Digital has the largest shipments in the first quarter of 2024, accounting for 39.5% of the entire market, followed by Seagate, accounting for 38.1%, and Toshiba accounting for 22.4%.

Geographically: North America is one of the major consumer markets. European countries have greater demand for data storage and backup. In some emerging markets or growth markets, small and medium-sized enterprises and individual users also have a large demand for traditional hard drives.

(2) 3C sector

A. Global smart phone market

According to the latest research from market research organization Canalys, the global smartphone market grew by 3% in the fourth quarter of 2024, reaching 330 million units, which is the fifth consecutive quarter of growth.



Among them, Apple, Samsung and Xiaomi continue to occupy the top three positions in the market, showing strong competitiveness.

Worldwide smartphone market shareCanalys 智能手机市场初步脉搏：第4 季度 2024

供应商	问4 2024 市场占有率	Q4 202 2023 年第 4 季度 市场占有率
苹果	23%	24%
三星	16%	17%
小米	13%	13%
TRANSSION	8%	9%
体内	8%	7%
别人	32%	30%

来源：Canalys 估计（销售出货量）， 智能手机分析， 202 年 1 月

5



Apple performed particularly well during the quarter, topping the list with 23% market share, driven by its growth in emerging markets such as India and Southeast Asia.

B. PC market

The latest report from research organization IDC shows that Lenovo will still rank first in global PC shipments in 2024.

CounterPoint Research pointed out in the report that driven by factors such as

AIPC, year-end promotions, and China's subsidy policies, global PC market shipments will increase by 3.7% year-on-year in the fourth quarter of 2024.

Since the Windows 10 system will end support in October 2025, many companies hope to complete the upgrade before that date. Therefore, the stable order flow brought by IT upgrades will promote the healthy development of global PC shipments in the fourth quarter of 2024.

PC shipments will reach 253 million units in 2024, a year-on-year increase of 2.6%. It said that the PC market has returned to normal seasonal fluctuations and entered a new stage with the launch of AIPC.

	2024 Shipments	2023 Shipments	Change
Lenovo	61.8 million units	59.1 million units	4.6%
HP	52.7 million units	52.6 million units	0.2%
Dell	39.2 million units	39.7 million units	-1.3%
Apple	22.6 million units	22.3 million units	1.3%
ASUS	17.4 million units	16.9 million units	3.0%
Others	58.9 million units	55.7 million units	5.7%

Broken down into manufacturer performance, Lenovo continued to lead the PC market with a growth rate of 4.6% (61.8 million units shipped), followed by HP (52.7 million units, a year-on-year increase of 0.2%), Dell (39.2 million units shipped, a year-on-year decrease of 1.3%), Apple (22.6 million units shipped, a year-on-year increase of 1.3%) and Asus (17.4 million units shipped, a year-on-year increase of 3%).

C. Smart Wearables Market

According to the latest "Global Wearable Device Market Quarterly Tracking Report" released by International Data Corporation (IDC), the global wrist-worn device market shipped 140 million units in the first three quarters of 2024, down 1.0% year-on-year, mainly due to the decline in homogeneous competition and relatively saturated markets in India and the United States. China's wrist-worn device market shipped 45.76 million units, a year-on-year increase of 20.1%. As the largest wrist-worn device shipment market, China leads global growth.

The wrist-worn device market includes smart watches and bracelet products. Among them, the smart watch market shipped 110 million units globally in the first three quarters of 2024, a year-on-year decrease of 3.8%; while the Chinese smart watch market shipped 32.86 million units, a year-on-year increase of 23.3%. The global shipments of the bracelet market in the first three quarters of 2024 were 26.82 million units, a year-on-year increase of 12.7%; the Chinese bracelet market shipped 12.91 million units, a year-on-year increase of 12.6%.

Performance of the global wrist wear market in the first three quarters:

2024年全球前五大腕戴設備廠商 - 出貨量、市場份額、同比增長率					
公司	2024年出貨量 (單位：百萬台)	2024年市場份額	2023年出貨量 (單位：百萬台)	2023年市場份額	出貨量 同比增長率
1.Apple	34.6	18.07%	37.0	19.06%	-6.3%
2.華為	30.7	16.03%	23.0	11.85%	33.6%
3.小米	29.4	15.35%	22.1	11.39%	33.0%
4.三星	15.4	8.04%	12.0	6.18%	27.9%
5.步步高	9.8	5.12%	7.8	4.02%	24.5%
其他	71.6	37.39%	92.2	47.50%	-22.4%
合計	191.5	100.00%	194.1	100.00%	-1.4%

來源：《IDC全球可穿戴設備市場季度跟蹤報告·2024年第四季度》

4. Competition

Given the increasing prices of electroplating automatic surface treatment equipment (for HDD parts and components that require a higher level of cleanness, semi-conductor-equivalent clean room equipment is required and it means higher capital expenditure), the greater difficulty encountered in personnel training each day, the difficulty in obtaining an environmental protection license, and the defect rate management, in addition to the technical threshold that depends on the product (HDDS are precision parts, for example, and hence have a higher threshold) and the fact that downstream manufacturers screen suppliers not only based on quality and throughput but also on their scale, experience, and preferred raw material purchase prices, many small plants have been sold as a result of a shortage in purchase orders and gone out of business.

For HDD parts and components, the surface treatment certification procedures is strict and includes questionnaires, site visits and interviews, document review, product prototyping, price negotiation, and contract preparation and shall meet screening standards for the throughput, technology, equipment, cost, and ISO certification. An initial certification process usually takes around 6 to 12 months (sometimes longer and up to 2 years). In addition, the geographical nature of this sector is relatively powerful and demands a short lead time. Therefore, surface treatment plants mostly keep long-term and steady partnerships with their downstream assembly service providers. The Company, for example, has been in collaboration with Seagate for up to 20 years and with Toshiba and WD also for more than 12 years.

On the 3C market, the Group is in the leading position given its abundant experience and topnotch processes, technologies, and equipment, complete production lines, throughput scale, and technicality for the surface treatment of metals in Taiwan and in China and Southeast Asia. The quality of products and technicality are certified by leading heavyweights in the US, indicating that the manufacturing technical capabilities and quality are quite comparable to compete on the international market and answer to the strict requirements from international heavyweights for quality and efficacy.

4.1.3 Technical and R&D Overview

1. Technical level and research and development in the scope of business operation

(1) Definition and classification of surface treatment:

Any technology to change the composition on the surface of a material or give it new features taking advantage of physical or chemical reactions is referred to as surface treatment technology. The processing can generally be divided to six major categories, namely change of the surface shape, surface coating pattern, surface chemical reaction, surface coating and penetration, implantation of other elements through the surface and only change of the surface property.

Type of surface treatment	Description
Change of surface shape	Etching or grinding is applied to smoothen the bumpy shape on the surface.
Surface coating pattern	The surface of the base material is covered by a processing layer that differs in composition from the base material. There is a distinct border line between this covering layer and the base material and hence the adhesiveness between the two is crucial.
Surface chemical reaction	Aluminum anodizing, for example, helps form the corrosion-resistant and wear-resistant oxidative layer on the surface of the aluminum material.
Surface coating and penetration	Hot-dip plating or pervasion is applied to change the composition on the surface of the base material to a certain depth and to form a hardened layer. This approach is free of the issue of detachment between the base material and the surface hardened layer.
Implantation of other elements through the surface	Vacuum carburizing and ion nitriding, for example, exactly take advantage the pervasion of carbon and nitrogen and penetrate them through the surface of the base material
Only change of the surface property	High-frequency hardening, for example, is applied to harden the surface and to enhance the wearable nature of the material

Source: Industries Research & Development Centre (MII-ITIS)

(2) Surface treatment technology and purpose:

Surface treatment aims primarily to give the surface of a material new properties so that the value of the product is enhanced, including the surface shape, mechanical, electromagnetic optics, thermal, physical, chemical, and decorative properties. Different surface treatment technologies are generated as a result of different properties, including electroplating (wet plating), grinding, cleaning, coating, and dry plating that has been developing quickly over the past few years. Corresponding purposes of these processing technologies are shown in the table below:

Surface treatment method			Primary purpose
Major category		Medium category	
Washing	Rinsing	Wet rinsing, dry rinsing	Removal of grease
	Removal of rust	Dip rust removal, sandblasting, liquid honing, drum grinding	Removal of obstacles, removal of rust
Grinding		Mechanical grinding, chemical	Smoothing and toning

Surface treatment method		Primary purpose
Major category	Medium category	
	grinding, electrolyte grinding, GMP	
Etching	Chemical etching, electrolyte etching, dry etching	Creation of surface shape
Shot peening	Medium/Low-speed spot peening, high-speed spot peening	Fatigue tolerance, removal of obstacles
Printing	Letterpress, intaglio, offset printing, stencil printing	Surface decoration
Coating	Spray coating, electrostatic coating, electric coating, powder coating	Corrosion resistance and decoration
Lamination	Resin lamination, glass lamination	Corrosion resistance and wear resistance
Wet plating	Electroplating, chemical plating	Decoration, corrosion resistance, and wear resistance
Chemical treatment	Phosphate treatment, ferric phosphate treatment, chromate treatment	Corrosion resistance and sliding property
Anodizing	Anodizing of steel and iron, non-ferric metal anodizing	Corrosion resistance, wear resistance, coloration
Dry plating (gaseous phase)	Physical vapor deposition (PVD), chemical vapor deposition (CVD)	Wear resistance, sliding property, optical property
Iron implantation	High-performance implantation, medium-performance implantation	Electrical property, wear resistance, heat tolerance
Hot-dip plating	Hot-dip zinc-coated, hot-dip aluminum-coated	Corrosion resistance
Surface thermal treatment	Surface hardening, carburizing hardening, oxidation, pervasion	Wear resistance, fatigue tolerance, and sliding property
Spray coating	Thermal spray coating, plasm spray coating	Wear resistance, corrosion resistance, and heat tolerance

Source: Industries Research & Development Centre (MII-ITIS)

(3) Introduction to the coating technology:

Coating is one of the most commonly applied surface treatment technologies. There are dry plating and wet plating. The two are different in that wet plating takes advantage of chemical solutions in the coating process while dry plating does not. The categorization and strengths and weaknesses are summarized as follows:

Technology	Wet plating	Dry plating
Categorization	Traditional electroplating, dip electroplating, electroless plating	Physical vapor deposition (PVD), chemical vapor deposition (CVD)
Strengths	Low equipment cost and mature technology	No generation of waste gas or wastewater, among other sources of pollution and environmental protection is not so much as an issue

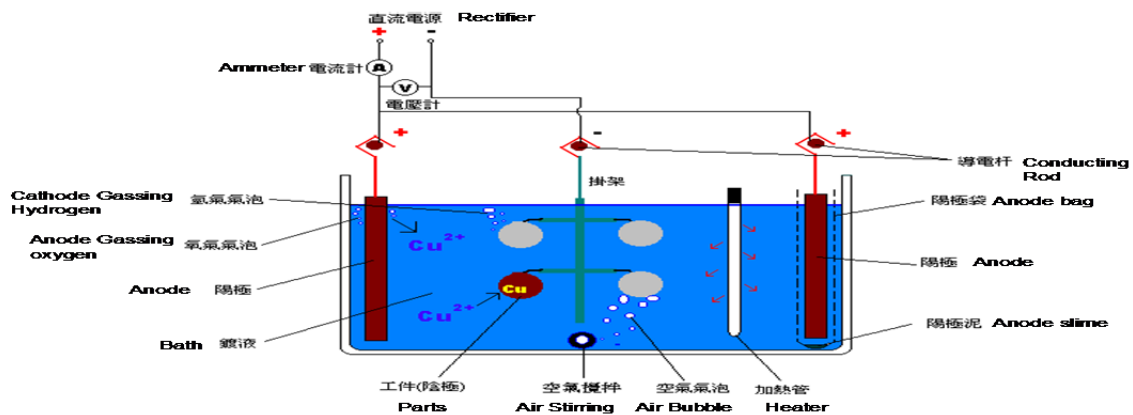
Weaknesses	Serious environmental protection issue and required purchase of waste gas and wastewater treatment equipment	Inability to process large items or items with complex shapes, thin plated layer, and relative undesirable dropping
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Source: Industries Research & Development Centre (MII-ITIS)

2. The Company mainly deals with wet plating, which can be divided into:

(1) Electroplating

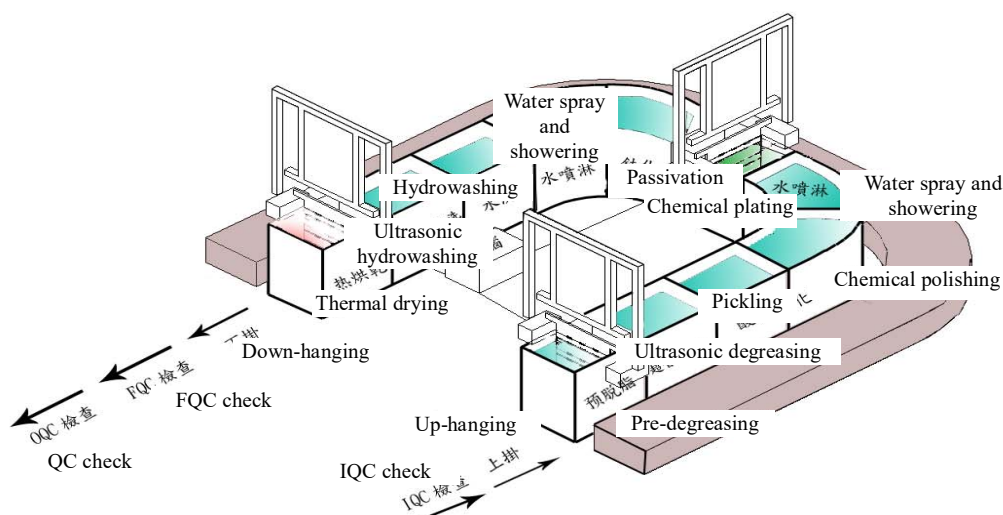
Electroplating is an electrolysis process where the metal sheets to be plated work like the anode and the electrolyte solution is usually the iron solution for the metals to be plated. The target of plating, on the other hand, works like the cathode. After direct-current voltage is entered between the anode and the cathode, the metal ions in the electrolyte solution swim to the cathode. After reduction, they are plated onto the cathode. Meanwhile, the metals at the anode dissolve to provide the electrolyte solution with more metal ions. Parts, furniture, and household supplies of many industrial machines are often plated with a metal layer, which is meant to prevent corrosion, boost aesthetics, and further enhance the rigidity, wear tolerance, and conductivity, among other unique properties. Materials that are often adopted for the electroplated layer include metals such as copper, zinc, tin, chromium, nickel, gold, and silver and alloys such as copper-zinc, copper-tin, tin-zinc, and tin-nickel. In addition, to ensure that the atoms between the base material (that is the target of plating) can be bonded closely, the plated workpiece usually go through treatments such as decaling, degreasing, and de-oxidation.



(2) Electroless plating

It is also known as electroless plating. No additional current is needed. The base metal contained in the base material to be plated does not need to dissolve in the plating bath to facilitate electroplating. There has to be, however, appropriate reducing agent in the plating solution. The rationale is oxidation of the reducing agent in the plating solution and the metal ions to be plated, on the other hand, are reduced to metals and bind to the surface of the workpiece. The plating layer of electroless plating, on the other hand, can be plated to the required thickness and can be applied to non-conductive materials such as glass, ceramics, and plastics under specific conditions. It is known for an even plating layer and low porosity, among other strengths, and has been widely applied to automobiles, dies, and military and

3C electronics products.



(3) Immersion plating

It means that the workpiece is immersed in the plating bath and there will be several base metals in the workpiece that will be dissolved in the plating bath and an equivalent number of metals in the plating bath will be analyzed and plated onto the workpiece. Generally speaking, this approach can only render a rather thick plating layer and the reaction stops as soon as the whole base material is covered by the plating layer. The applicable conditions for dip plating are that the metal to be plated has to have a higher positive standard electrode potential than the metal to be plated onto. As a result, it is possible to plate metals such as silver, copper, and gold onto steel and iron, not zinc or cadmium.

(4) Multi-layer plating

It is electroplating where multiple layers of different metals in terms of their property or composition are deposited one after another onto the same base. It aims primarily to reduce the overall thickness of the noble metal layer under the premise that the electroplating feature is maintained or to plate corrosion-resistant metals onto the base. Only key portion of the parts are selectively plated with functional noble metals in order to optimize the efficacy and cost, such as nickel and gold or nickel and silver to be plated onto the surface of a copper material.

3. R&D expenditure spent each year over the past five years:

Unit: NT\$ thousand; %

Fiscal Year Item	2020	2021	2022	2023	2024	First quarter of 2025
R&D expenditure	10,049	11,219	11,095	10,833	13,277	3,489
Net operating income	1,039,891	1,356,633	1,131,956	922,521	1,028,623	235,292
Ratio of R&D expenditure to operating income	0.97	0.83	0.98	1.17	1.29	1.48

4. Technologies or products successfully developed over the past year:

Fiscal Year	Technologies or products successfully developed over the past six years
2020	Introduction of hanging devices of novel design and automatic up-hanging machine for workpieces USB-C shell-series automatic aligners New-generation wastewater recycling technology
2021	Introduction of USB-C shell-series automatic down-hanging machines New-generation adapter terminal gold and silver plating technology Industrial thick waste solution-reducing equipment Development and application of electrolysis and nickel recycling technology in wastewater and waste solution Development of the chemical plating process for headsets and introduction of automatic inspection and automatic arrangement Development of local electroplating techniques of heat-dissipating products Development and mass production of automotive heat sink low-phosphorus chemical plating nickel process
2022	Introduction of platen washers Introduction of spacers Waste chemical nickel solution, installation of the nickel electrolysis system Installation of the electroplating nickel refining system Recycling of post-production line water for reuse, drainage of water out of the platen washing basin, setup of the water supply and drainage systems for platen washing equipment Setup of the waste nitric acid nickel extraction system Setup of the activated carbon nickel extraction system Installation of the silver-plating line silver-recycling system
2023	Added a new cleaning and passivation line for cleaning and passivation of aluminum cups/heat pipes/copper bars Introduced type-C 5-layer hanging automatic machine Added new sandblasting machine Added new magnetic polishing machine Added new bubble shell cleaning machine
2024	Add new spray line

4.1.4 Long/Short-term business development plans

1. Short-term development plan:

- (1) Watch closely situational changes to ensure non-disrupted supply.
- (2) Watch closely fluctuations in materials and the exchange rate and respond optimally and in the quickest way.
- (3) Deepen customer relations and extend the scope of surface treatment horizontally.
- (4) Enter new markets and applications, such as semiconductor chips and new energy vehicles .
- (5) Develop automation and reduce dependency on manpower.
- (6) Examine the technical control and parameters one by one and remove high-performance consumption and production bottlenecks.
- (7) Deepen existing collaborative relations with customers and maximize the ratios of secured processing business and provide customers with total solutions.

2. Long-term development plan:

Increase the ratio of highly profitable products in the portfolio and proactively reinforce the driving factors for revenue growths in the future (such as non-metal surface treatment). The expected development plan is as follows:

- (1) Expand the premises in Vietnam, Thailand, Dongguan, and Taiwan and evaluate possibilities in other areas; follow up on customer demand and decentralize risk.
- (2) Nurture R&D and management talent and introduce new applications and models; enhance one's own competitive advantages to optimize new process flows.
- (3) Reinforce one's own green competitive advantages, reduce energy consumption, recycle resources, and follow up on carbon peaks and carbon neutralization.
- (4) Introduce smart production systems.
- (5) Reinforce information-based information security management.
- (6) Proactively research and develop environmentally friendly materials and technologies with environmental protection and energy conservation as the goals in order to meet applicable environmental protection regulations of green products.
- (7) Strengthen the circulation and utilization of resources, reduce business waste, and continue to enhance energy efficiency.

4.2. Market and business summary

4.2.1 Market analysis:

1. Where products (services) are primarily sold or supplied

Unit: NT\$ thousand; %

Region	2023		2024	
	Amount	Ratio (%)	Amount	Ratio (%)
Mainland China	758,984	82.27	838,612	81.53
Thailand	150,385	16.30	169,812	16.51
Other	13,152	1.43	20,119	1.96
Total	922,521	100.00	1,028,623	100

2. Market share:

Since the surface treatment industry is processing-oriented and the required processing is extensive and complex, there are currently no official authorities available to conduct the industrial market share research. As a result, it is impossible to get the market share correctly. In light of the revenue or the allowed pollution discharge, however, the Group shall be the largest professional surface treatment service provider in South China and a primary surface treatment supplier of HDD key parts and components.

3. Future supply and demand and growth on the market

The two major types of business as of the end of 2024 of the Group were the surface treatment of HDD parts and components and 3D product charger adapters/connector terminals, which accounted for around 22% and 65%, respectively, of the overall revenue. In other words, the supply and demand condition and the growth potential will mainly rely on the HDDs and 3C products.

(1) HDD sector

A. Persistent growths in the demand for HDDs over the past few years

Over the past few years, the market for 2.5" HDDs in PC-related fields have been gradually replaced by SDDs. The demand for 3.5" HDDs, however, has been steadily growing, thanks to the development trends such as personal and family NASs, small-to-medium-sized enterprise small servers, cloud storage and computing, IoT, and 5G applications as well as video-based monitoring, among other corporate storage applications.

Impacted by the pandemic over the past few years, along with the work-from-home policy adopted by enterprises, the demand for video-conferencing and big data, cloud storage has surged significantly. The demand for large enterprises to set up their large data centers has grown accordingly, too. Storage businesses continue to develop high-capacity HDDs, including 18TB and 20TB that are designed specifically for the corporate high-capacity HDD market of a super scale specific for the cloud setting and design technically dual-read head for enhanced operating speed in response to the demand for quick access by those working remotely.

B. Supply

At present, international manufacturers continue to be integrated on the global

market. Related service providers have also developed towards integrating services. Therefore, in fields such as IT, netcom, and consumer electronics, it is more desired to rely on assistance from processors in order to expedite the time to release of products to the market. At present, international heavyweights are constantly expanding the scope of outsourcing. Superior Plating, with its outstanding cost control, manufacturing techniques, production yield control, and production flexibility, among other competitive advantages, in addition to flexible leverage, quality R&D and innovation, and outstanding managerial experience, will help the Group secure processing orders. In addition, the rising awareness of environmental protection and the focused review of high-energy-consuming and highly polluting sectors in China have led to the requirement for conforming pollution discharge licensing in related sectors. Given this threshold, chances to obtain an electroplating license in the future will significantly drop. High access barriers are in place for the surface treatment industry. Competitors can hardly access this industry over the short term. The supply in the future will focus on some businesses.

C. Constantly enhanced precision requirements for HDD parts and components with the increased storage capacity per unit

Internal parts and components of the hard disk drive include the disk, the disk holder, the spindle motor, the read/write head, the head-positioning actuator, and the voice coil motor while external ones are the top cover and the bottom cover. Those requiring the electroless plating include the head hold, voice coil motor, tightening ring, and gasket. Given the constantly enhanced HDD technology and capacity, requirements for precision in surface treatment of parts and components are constantly increased, too. As the quantity of HDD digitigrade pieces climbs, undesirable thickness control will impact the dimensions and lead to an increase in the parts scrap rate. Uneven thickness, on the other hand, will give rise to particles during operation that will shorten the life span of HDDs. Due to the fact that the Group has had more than ten years of experience in process control in the HDD sector and has introduced additional smart analysis equipment over the past few years, it is technically leading now.

(2) 3C sector

A. Demand for 5G mobile phone and tablet computer fast-charging drives up the USB-C load rate

The penetration of high-end smart phones and tablets, under the 5G network setting and the rapid developments of high-definition audiovisual streaming is gradually increasing. With the increased demand from consumers for audiovisual streaming for 5G phones, the screen and 5G streaming drive up the power-consuming rate. As a result, it has become mainstream for high-end smart phones and tablets to use USB-C as their main support fast-charging specification. The Group mainly supplies American customers with USB-C and plug surface treatment and has been able to provide beautiful-looking and wear-resistant and plug/unplug-tolerant special types of plating given its extended joint technical R&D with its customers that help extend the lifespan of customers' chargers.

B. Increased demand for wearable devices help boost the demand for fast-charging

The market sales of wearable devices such as TWS headsets and smart watches have been steadily growing and it has driven an increase in the demand for fast-charging. These mobile devices are known for being compact, light, and

easily portable and their ability to persistently connect with smart phones to be carried at all times by modern people. While addressing the demand for wearing for an extended period of time and network connection over an extended period of time, how to enable fast-charging for wearable devices has also become something that product developers are concerned about. Due to the fact that USB-C is known for its properties such as high-speed transmission and fast-charging, it helps streamline the demand for connecting holes and wiring harness of smart wearables and also further optimize product volumes and specifications. Wearable devices are still at their fast-growing stage. As is estimated by foreign research and survey, the shipments of smart wearables this year will reach around 225 million sets, an annual growth of 25.8% and they will double in 2022 to reach 453 million sets.

C. Supply

Currently, with both China and the EU indicating that USB-C has become an internationally acceptable specification, the Council of Europe has introduced the restriction over small-to-medium-sized electronic products in the future out of the main appeal over reduced electronic waste since September 2021 and USB Type-C (USB-C) will become the main connection design. It includes the charger, the mobile phone, the tablet computer, the digital camera, the headset, the Bluetooth speaker, and the hand-held game consoles and will reach out to e-books, keyboards, notebook computers, and electronic toys, among others. All of them need to come with the USB-C port in order to avoid generating additional electronic garbage. As a result, respective primary smart phone and tablet computer suppliers, in response to the said appeal, have also gradually enhanced the ratio of their own products configured with the USB-C port.

(3) Semiconductor wafer industry

Forecast of the global semiconductor market in 2025

WSTS Forecast: The World Society for Semiconductor Trade Statistics (WSTS) predicts that the semiconductor market will grow by 11.2% in 2025, with the global market valued at US\$697 billion.

Gartner forecast: Gartner has revised down the size of the global semiconductor industry in 2025 from US\$739.173 billion to US\$716.723 billion, and the year-on-year growth rate has been revised down from 16.6% to 13.8%.

Performance in different application fields

AI field: Semiconductor demand in the AI industry will continue to be strong. The demand for generative AI in data centers has driven the growth of related semiconductor demand. The market demand for graphics processing units (GPUs) and high-bandwidth memories (HBM) is particularly strong. According to calculations by the German Statista data platform, the GPU market size will reach US\$270 billion in 2029, which is four times the current level. Other manufacturers calculate that the HBM market will exceed \$100 billion in 2030.

Electric vehicle field: The demand for semiconductors for electric vehicles is sluggish. As electric vehicle sales are in trouble in the European and American markets, the demand for automotive semiconductors will continue to deteriorate before the end of the second quarter of this year. The supply and demand relationship will gradually return to balance starting in the third quarter, but the demand for power semiconductors for electric vehicles will not truly recover until after 2026.

Smartphones and computers: The oversupply problem of semiconductors in the computer and smartphone fields will be alleviated in the second quarter. From

January to March, the inventory adjustment of semiconductors for smartphones has made progress, coupled with the expansion of demand for products equipped with AI-generated functions from companies such as Apple in the United States, the market is improving, but the overall situation may lack strong recovery momentum after July.

Other fields: Data transmission benefits from the launch of new AI server models, with an estimated year-on-year growth of 16.6%; consumer electronics has little promotion of new applications, with only a year-on-year growth of 7.8%; vehicle demand is expected to increase industry scale growth due to increased electrification, with an estimated year-on-year growth of 15.5%.

(4) New energy vehicle industry

Sales data of the global new energy vehicle market in 2024 are as follows:

Total sales: Global new energy vehicle sales will exceed 17 million units in 2024, a year-on-year increase of approximately 25%. Other data show that global new energy vehicle sales will reach 18.236 million units in 2024, a year-on-year increase of 24.4%.

Regional distribution:

1. China: China's new energy vehicle sales will reach 12.866 million units in 2024, a year-on-year increase of 35.5%, accounting for 70.5% of global sales.
2. The United States and Canada: Electric vehicle sales will increase by 8.8% to 190,000 units in 2024.
3. Europe: European new energy vehicle sales will be 2.89 million units in 2024, a slight decrease of 2.0% year-on-year.

Performance of major car companies:

1. Tesla: Deliver approximately 1.79 million vehicles in 2024.
2. BYD: Cumulative annual sales reached 4.2727 million vehicles.
3. Li Auto: Delivered over 500,000 vehicles.
4. Cyrus: Sales of new energy vehicles will reach 426,900 units in 2024, a year-on-year increase of 182.84%.

4. Favorable and Unfavorable Factors Affecting Competitive Advantages and Development Prospects, and Corresponding Strategies

(1) Competitive niche

(A) Highly experienced R&D team

Among the Group's R&D staff of the Group, as of the end of 2022, those with a college or higher-level diploma accounted for about 69% and major cadres had a mean number of years working in related R&D fields exceeding 10. The R&D team includes the new process development one and the original process improvement one so that the Group can maintain its competitive advantages on the market for existing products while at the same time adhering to persistent expansion of its operation over the long term to create new momentum for the growths of the Group. Besides proactively recruiting outstanding elites in the industry, constant efforts are made to ensure persistent advancement in the R&D technology through collaboration and exchange among internal knowledge management, internal/external educational training, and academic units of the Company, among other series of R&D development plans.

The R&D team has been devoted over the past few years to the development of process surface treatment machinery and equipment, breakthroughs in the

wastewater treatment technology, and continued to apply for patents and certifications in respective regions to protect its intellectual properties. The subsidiary in Shenzhen was certified as a national high-tech enterprise in 2021.

(B) Cross-national production site

The Group has production sites in Shenzhen, Dongguan of South China and in Thailand. They are capable of diversified techniques such as chemical plating, chemical polishing, continuous plating, hung plating, and precision washing to be imposed onto base materials that are zinc, nickel, silver plates, copper and steel/iron pieces, or aluminum alloys. Diversified plating can satisfy the needs of customers in China and in Southeast Asia at once. Meanwhile, when production cannot successfully begin at a certain operating site due to natural disasters or manned catastrophes, production can be quickly relocated to the other sites to keep the supply chain steady.

(C) Optimal customer base and diversified portfolio

The Group is a service provider of professional surface treatment, with customers mainly being well-known brand developers around the world whose financial standing and corporate operation are both quite robust and the Group maintains long-lasting optimal partnerships with these major customers and is well received by the customers in both quality and service.

As IT and consumer electronic products and the digital demand for cloud-based service quickly grow, products include not only 3D peripheral parts and components but also servers, electric vehicles, automotive and medical devices. The portfolio is diversified, wide-ranging, and deep-reaching to serve customers where products in different categories or of different properties are sold.

(D) Competitive advantages that connect management, business operation, production, and quality in one

The Group's management consists exclusively of professionals in the industry that have many years of experience in related fields and have complete track records in business operation and administration, R&D, and finance. Members on the team work perfectly with one another and share the same beliefs. They have better control over the overall organizational leverage and are key to the robust developments of the Group.

The Company emphasizes joint developments of processes with customers. Despite the relatively lengthy devotion to R&D, it helps form close relations with customers and upstream and downstream contractors and by jointly developing processes, the Group also enjoys technical advantages because it increases the entry threshold that keeps competition off the market.

In addition, out of its commitment to quality and the environment, the Company has been certified for ISO 9001, ISO 14001, and TS 16949 and has precisely enforced all quality control requirements in actual operations. Therefore, quality of products of the Company is quite stable and they have been recognized by major customers each year.

(2). Advantageous and disadvantageous factors for future developments and countermeasures

(A) Advantageous factors

a. Geographical location

i. Complete supply chain system for the IT industry in South China

The IT electronics industry in South China has been complete as a whole

after having gone through multiple industrial developments and systematic changes. Given the balanced distribution throughout the industry, collaboration among sectors have been optimal and they are able to support one another. As a result, the IT electronics industry is becoming more capable each day in its overall external marketability and has become a focus of procedure for related products around the world.

ii. Complete supply chain system for the HDD sector in Thailand

With the relocation of the HDD supply chain over the past years, Thailand has become one of the largest HDD production sites in the world. Nearly all upstream and downstream HDD contractors have presence set up in Thailand. Subsidiaries in Thailand, enjoying the geographical advantages, are able to approach customers directly and also can secure opportunities for joint developments on the emerging markets with customers taking into consideration their deployments in emerging countries.

- b. Mature developments of the parts and components sector and steady supply of key parts and components

Manufacturers of peripheral 3C products such as HDDs are capable of competing internationally, including precision metal parts and printed circuit boards. With the IT sector developing completely and advancing quickly, it is a driving force to boost the autonomy over IT products.

- c. Persistent growths on the market

As IT and consumer electronics products and the digital demand for cloud-based service quickly grow, persistent growths are seen in the main scope of operation of the Group, such as HDD parts and components and 3C electronic products surface treatment, too. As the demand for video-based monitoring, IoT, and big data continues to climb, the development of cloud storage technology is likely drive up demand on the HDD market. According to statistics of a research institute, the global data storage size in 2021 will be 40 times that in 2009 (0.8ZB->35ZB) and expansions continue at a CAGR of 3.9%.

Also because of the demand from consumers for smart phones and smart wearable devices, manufacturers of 3C electronic products are constantly innovating on specifications and features to motivate consumers to purchase the new products.

- d. Robust R&D and innovation capabilities

The Company's R&D team is devoted to the R&D and innovation of products. By updating its production equipment, solution formula and improving its process and processing procedure and design, it is help improving the production technique and high-yield processing service is introduced ahead of counterparts for enhanced operational efficiency and quality.

(B) Disadvantageous factors

- a. Main raw materials tend to be affected by fluctuating prices internationally of gold, silver, and nickel, among other metals and the supply chain experiences a shortage due to the international situation**

Primary raw materials for the Group include electrolysis nickel solution, nickel boards, solder balls, silver boards, and potassium gold cyanide. Their prices change with international pricing tendency for nickel, silver, and gold, among others. In other words, if prices of the said metals climb, the importing prices of related raw materials climb as well and so does the production cost.

Meanwhile, over the past few years, COVID-19, Indonesia tariff policy, or the production policy adopted in China to restrict mining of phosphate rocks have all impacted the supply of raw materials to result in significant price volatilities on the market and to accordingly drive up the production cost.

Countermeasures:

- i. The management and the purchase unit are monitoring trends in prices of related metals around the world at any time in order to control the purchase price and inventory size of raw materials and ensure that there are two or more suppliers of key production raw materials to ensure supply of such raw materials.
- ii. Long-term collaboration agreements are entered into with key suppliers to ensure supply of materials and competitive purchase prices. If necessary, the finance unit may take related hedging measures taking into consideration the financial standing of the Company.
- iii. The sales unit, on the other hand, will adequately reflect the cost in the processing price and quotation.

b. Potential shortage of labor and shortage of professional design and R&D talent in the automation sector

As economies grow in China and in Thailand, young workers are unwilling to work in factories. The shortage in labor leads to an increase in the base wage and according to the production cost for the sector.

Countermeasures:

The Group has been proactively developing automatic production equipment to significantly replace the existing workforce and to lessen the cost impacts brought about by rising base wages. Meanwhile, the subsidiary in Shenzhen flexibly allocates workers from other premises in high and low seasons to minimize the impacts of shortage in labor. The subsidiary in Thailand also introduces foreign workers to ensure steady workforce.

c. Lengthy cycle of new process development and lengthy time to recovery of invested funds

Due to the fact that the Group emphasizes joint development of processes with customers in order to reinforce its own competitive advantages, the unique and non-universal specifications of these processes are associated with a relatively long development cycle and accordingly relatively long time to recovery of invested funds by the Group.

Countermeasures:

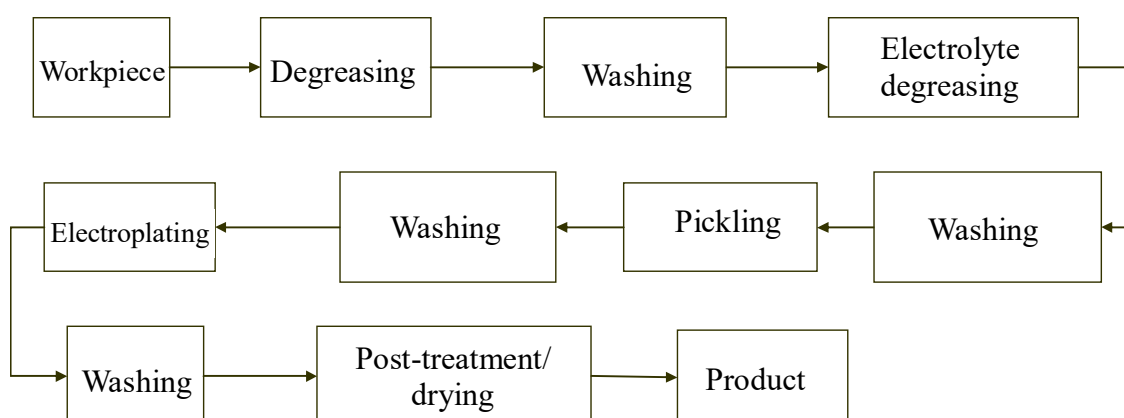
Before jointly developing processes with customers, the Group sets short-term, mid-term, and long-term risk assessment and development strategies according to the four constructs, namely, financial planning, customer and product evaluation, internal organization and resources allocation planning, and operational and managerial risk and reports to the Board of Directors on a quarterly basis as needed. Once it is approved by the Board of Directors, the existing responsible units in the Company will set up subsequent information communication and supervision mechanisms to protect the Company against damages and to ensure fulfillment of goals.

4.2.2 Important purposes and production processes of main products

1. Important purposes of products

NO.	Products	Substrate Material
1	EN Plating(High-P 、Mid-P 、Low-P)	Steel, Copper, Stainless Steel, Aluminum
2	Precision Cleaning	Stainless Steel, Aluminum
3	Acid Cleaning	Aluminium
4	Passivation	Copper, Stainless Steel
5	Chemical Polish	Copper, Aluminum
6	Gold Plating	Steel, Copper, Stainless Steel
7	Immersion gold plating	Steel, Copper, Stainless Steel
8	Continuous gold electroplating	Steel, Copper, Stainless Steel
9	Continuous Sliver electroplating	Steel, Copper
10	IC package plating frame	Copper, Stainless Steel
11	PNP plating for copper and stainless base materials	Copper, Stainless Steel
12	Pearl nickel	Copper, Stainless Steel
13	Bright nickel	Copper, Stainless Steel

2. Production processes



4.2.3 Supply of main raw materials

Main raw material	Sources of materials of main suppliers and overview of suppliers
Electroless nickel	There are both qualified domestic and international suppliers with steady lead time and quality; the supply is optimal.
Sodium hypophosphite	Subsidiary purchases unilaterally from overseas, with steady lead time and quality; the supply is optimal.
Silver boards	Subsidiary purchases unilaterally from overseas, with steady lead time and quality; the supply is optimal.
Pure solder balls	Subsidiary purchases unilaterally from overseas, with steady lead time and quality; the supply is optimal.
Potassium gold cyanide	Subsidiary purchases unilaterally from overseas, with steady lead time and quality; the supply is optimal.
Sulfuric acid	Subsidiary purchases unilaterally from overseas, with steady lead time and quality; the supply is optimal.
Nitric acid	Subsidiary purchases unilaterally from overseas, with steady lead time and quality; the supply is optimal.
Passivation solution	Subsidiary purchases unilaterally from overseas, with steady lead time and quality; the supply is optimal.
Pearl nickel supplement	Subsidiary purchases unilaterally from overseas, with steady lead time and quality; the supply is optimal.
Sulfuric acid nickel	Subsidiary purchases unilaterally from overseas, with steady lead time and quality; the supply is optimal.
Nickel boards	Subsidiary purchases unilaterally from overseas, with steady lead time and quality; the supply is optimal.

4.2.4 List of main suppliers and customers

- Names of customers with 10% or more sales and the values and ratios of the sales in any of the past two years:

Unit: NT\$ thousand

Item	2023				2024				As of First quarter of 2025			
	Name	Amount	Percentage in the net sales throughout the year (%)	Relationship with the issuer	Name	Amount	Percentage in the net sales throughout the year (%)	Relationship with the issuer	Name	Amount	Percentage in the net sales throughout the year (%)	Relationship with the issuer
1	RACPT001	128,748	13.96	None	RACPT001	195,273	18.98	None	RACPT001	39,853	16.94	None
2	DE	112,825	12.23	None	DE	168,234	16.36	None	FY&JC	31,108	13.22	None
3	HW	111,825	12.12	None	FY&JC	108,138	10.51	None	DE	30,128	12.80	None
4	Other	569,123	61.69	None	Other	556,978	54.15	None	Other	134,203	57.04	None
	Net sales	922,521	100.00	-	Net sales	1,028,623	100.00	-	Net sales	235,292	100.00	-

Information on the changes (increase/decrease):

- (1) RABIT001: End-customer demand for this product line has increased.
- (2) DE: A competitor has temporarily suspended shipments due to quality issues, and end-customer demand for this product line has increased.
- (3) FY & JC: A competitor has temporarily suspended shipments due to quality issues, and end-customer demand for this product line has increased.

- Names of suppliers with 10% or more purchases and the values and ratios of purchases in any of the past two years:

Unit: NT\$ thousand

Item	2023				2024				As of First quarter of 2025			
	Name	Amount	Percentage in the net purchases throughout the year (%)	Relationship with the issuer	Name	Amount	Percentage in the net purchases throughout the year (%)	Relationship with the issuer	Name	Amount	Percentage in the net purchases throughout the year (%)	Relationship with the issuer
1	TP716	31,032	13.53	None	TP671	43,347	14.59	None	TP849	18,677	15.82	None
2	TP052	23,217	10.12	None	TP716	42,964	14.46	None	TP716	17,078	14.47	None
3	TP671	22,990	10.02	None	TP052	16,585	5.58	None	TP671	11,507	9.75	None
4	Other	152,095	66.33	None	Other	194,147	65.37	None	Other	70,766	59.96	None
	Net purchases	229,334	100.00	-	Net purchases	297,043	100.00	-	Net purchases	118,028	100.00	-

Information on the changes (increase/decrease):

- (1) TP671: Revenue from the corresponding product line has increased, leading to a rise in raw material demand.
- (2) TP052: The unit price of the main traded material has decreased, resulting in an overall decline in purchase amount.

4.3 Number of employees for the past two years and up to the date when the Annual Report was printed, their mean years in service, mean age, and distribution of their education levels

Unit: Person; Age; Year; %

Fiscal Year		2023	2024	For the current year up to the date when the Annual Report was printed
Number of employees	Direct and indirect production staff	580	695	796
	Staff of the Management Department	118	85	85
	R&D staff	33	37	40
	Total	731	817	921
Mean age		38.1	37.2	36.8
Mean years in service		4.8	4.2	3.7
Ratio of education distribution	Post-graduate school	-	-	-
	Graduate school	1.23%	1.22%	0.87%
	College/university	16.14%	16.16%	14.12%
	Senior high school	20.52%	18.97%	16.61%
	Below senior high school	62.11%	63.65%	68.40%

4.4 Information on Environmental Protection Expenditure

- 1 Explain how the application, payment, or setup status of those that should apply for a permit for setting up polluting facilities or discharging pollutants or pay pollution control and prevention fees or and set director, independent exclusive units or staff to take charge of environmental protection as required abide law:

The subsidiary of the Company in Shenzhen applied for the pollution discharge permit and information of the staff at the responsible unit for environmental protection is as follows:

(1) Pollution discharge permit

Name of Company	Issued by	Effective duration of the permit
Superior Industries (ShenZhen) Co., Ltd.	Bao'an Administration Bureau, Ecological Environment Bureau, Shenzhen City	2020.12.26-2025.12.25
Top-Team Technology (Shen Zhen) Ltd.	Bao'an Administration Bureau, Ecological Environment Bureau, Shenzhen City	2020.12.27-2025.12.26

(2) Environmental protection personnel

Name of Company	Name	Applicability	Title of qualification certificate
Superior Industries (ShenZhen) Co., Ltd.	Hsieh, Ching-Tian	Sewage treatment	Shenzhen Environmental Protection Engineering Technology Capability Evaluation Certificate
Top-Team Technology (Shen Zhen) Ltd.	Hsieh, Ching-Tian	Sewage treatment	Shenzhen Environmental Protection Engineering Technology Capability Evaluation Certificate

- 2 Applicable investments of the Company in primary equipment to prevent environmental pollution and their purposes and possible benefits:

December 31, 2024 Unit: NT\$ thousand

Name of Company	Equipment Name	Quantity	Date received	Investment cost	Purpose and Expected possible benefits
Superior Industries (ShenZhen) Co., Ltd.	Sewage prevention and control equipment	1 set	2016/2/1	6,324	Purpose: Purification of electroplating sewage Efficacy: Compliance with environmental protection criteria in the effluent
Superior Industries (ShenZhen) Co., Ltd.	Low-temp vaporization equipment	2 sets	2020/7/31, 2023/9/30	1,928	Purpose: vaporization of high-concentration waste solution Efficacy: amount of high-concentration waste solution to be cleared reduced by 70%
Superior Industries (ShenZhen) Co., Ltd.	Recycling equipment for waste nickel	1 set	2022/1/30	172	Purpose: Recycling of nickel in waste nickel solution Efficacy: Reduced processing cost of waste solution and transformation of waste nickel to valuable substances and to make profits accordingly
Superior Industries (ShenZhen) Co., Ltd.	Filter press	3 set	2011/8/31 2012/6/30 20024/7/31	548.784	Purpose: Sludge filter press Efficacy: Sludge is classified and processed to comply with environmental protection regulations
Top-Team Technology (Shen Zhen) Ltd.	Sewage prevention and control equipment	1 set	2017/3/27	41,577	Purpose: Purification of electroplating sewage Efficacy: Compliance with environmental protection criteria in the effluent
Top-Team Technology (Shen Zhen) Ltd.	Recycling equipment for waste nickel	1 set	2022/1/14	BOT	Purpose: Recycling of nickel in waste nickel solution Efficacy: Reduced processing cost of waste solution and transformation of waste nickel to valuable substances and to make

Name of Company	Equipment Name	Quantity	Date received	Investment cost	Purpose and Expected possible benefits
					profits accordingly
Top-Team Technology (Shen Zhen) Ltd.	Activated carbon cleaning equipment	1 set	2022/12/31	546	Purpose: Extraction of waste activated carbon and nickel Benefit: Reduction of nickel content in wastewater
Top-Team Technology (Shen Zhen) Ltd.	Update of the chemical dosing unit process of the wastewater treatment system	1 set	2023/10/14	185	Usage: Chemical dosing for wastewater treatment Benefit: Improved wastewater treatment efficiency and operational safety
Top-Team Technology (Shen Zhen) Ltd.	Sludge dewatering unit of wastewater treatment system	1 set	2023/10/14	696	Purpose: Sludge dehydration and reduction Benefit: Reduce sludge volume by about 45%, reducing sludge removal and transportation costs
Superior Plating Technology (Thailand) Co., Ltd	Distillation Equipment	3 set	2021/6	261	Purpose: vaporization of high-concentration waste solution Efficacy: amount of high-concentration waste solution to be cleared reduced by 50%

- 3 The total value of losses (including compensation) and dispositions of the Company over the most recent year up to the date the Annual Report was printed and disclosure of future countermeasures (including improvement measures) and possible expenses (including estimated values of possible losses, dispositions, and compensation if no countermeasures were not adopted; if they cannot be reasonably estimated, descriptions of facts that they cannot be reasonably estimated should be provided): None. None

4.5.Labor relations

4.5.1List any employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests:

1. Employee benefit plans and implementation thereof

- (1) Bonuses, subsidies and benefits: Establishing compensation and benefits including the job subsidies, task subsidies, seniority bonuses, attendance bonuses, environment subsidies, night-shift subsidies, high-temperature subsidies, license subsidies, meal subsidies, annual bonuses, employee bonus, and employee stock ownership trust, among others.
- (2) Labor insurance: The Company has made the payments for social insurance and Housing Provident Fund in compliance with relevant laws and regulations to ensure that its employees receive corresponding benefits and compensation in case of retirement, illness, maternity, injury, unemployment and house purchase, and it has additionally purchased the group accident insurance to stop employees' worries and provide a more comprehensive protection.
- (3) Health checks: The Company cares about employees' health, so it organizes one free health check for all employees every year and periodical health check for employees at specific positions to have a better understanding about employees' health.
- (4) Other benefits: The Company provides free housing and meals to its employees, as well as free parking spaces and screening room; it gives holiday gifts to employees on traditional holidays, organizes regular employee birthday parties every month, and occasionally arranges recreational activities, team-building, annual dinners and lotteries.
- (5) Workplace diversification policy: The Company is devoted to providing its employees with a respectful and safe workplace. We enforce diversified hiring and fair pay and promotion opportunities in order to ensure that employees are not discriminated against, harassed, or treated unfairly because of their ethnicity, gender, religion, age, political preference, or other conditions protected by applicable laws and regulations. Female employees accounted for 51% of all in 2024 and female officers 32%.

2. Employee continuing education and training and implementation thereof

The Company understands the importance of human resources development and believes that continuous development of employees' competences fuels its growth, so it is committed to the constant improvement of the education and training system. Through the initiation of diverse and multi-dimensional education and training, employees' overall skills and experience are enhanced, and thus it maximizes the exploitation of human resource, driving the systematic facilitation of learning organization. The Company provides the following education and trainings:

- (1) Training plan: Founded on the Company's development goals, formulating plans targeting various professions and competences by referring to the surveys of employees' personal development goals and training needs.
- (2) Training activities are categorized as follows:
 - A. New employee orientation
Trainings including guidance and care, company overview, business concept, business culture, regulations and systems, attendance management, and salary and benefit system.
 - B. On-the-job training

General training courses that involve the entire company and all levels of employees, including organizational knowledge training, safety and health education, fire drills, quality knowledge trainings and etc.

C. Management skill trainings

Training courses for mastering in a management position, including topics in upward management, issue analysis and solving, and skill training for team leaders.

D. Professional skills training

Professional skills training required for all technical/professional units, such as engineering technique courses, equipment engineering/maintenance courses, and finance and accounting courses.

E. External training

Assigning relevant personnel to attend external training courses, including the trainings for the latest firefighting safety, labor and taxation regulations and licenses.

3. Retirement system and implementation thereof

The Company's retirement system observes the provisions of the Labor Standards Act and relevant laws and regulations and adopts the individual pension account system where the employer shall deposit 6% of an employee's salary into his or her pension account at the Bureau of Labor Insurance every month. In addition to regular reserves made to the pension account required by the Labor Standards Act and Labor Pension Act, the Company also established the Employee Stock Ownership Fund Committee. A full-time employee who has worked for a year or more can decide an amount allocated monthly for the subscription of the Company's stock, and the Company will allocate 200% of the said amount as the stock ownership incentive bonus.

4. Labor-management agreements

The company pays special attention to creating a harmonious and harmonious labor and management environment, and has established sound administrative management, which clearly states various management methods, clearly stipulates employee rights and obligations and welfare items, and regularly reviews welfare content to effectively safeguard the rights and interests of employees. The company also strives to innovate, actively develop diversified communication channels between labor and management, build a communication bridge between employees and the company, and smooth communication between labor and management. Several measures go hand in hand to deeply safeguard the rights and interests of employees. At the same time, the company also attaches great importance to employees' feedback. It has set up IR mailboxes, complaint or anti-corruption channels, and formulated complaints and grievance mechanisms to fully allow employees to express their opinions and ideas, understand employees' opinions on business management, supervisory leadership, welfare systems and working environment, and maintain good labor relations. In addition, the company has not had any major labor disputes since its establishment.

5. Measures for employee rights and interests protection

The Company has a thorough document management system, of which, employees' rights and duties and welfare are clearly stated in various regulations. Moreover, it periodically reviews that welfare in order to protect employees' rights and interests.

4.5.2 Any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to labor disputes, and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken: None.

4.6 Information and Communication Security Management

4.6.1 It describes the information and communication security risk management framework, information and communication security policies, specific management plans, and resources invested in information and communication security management.

1. Security Risk Management Structure

- (1) The unit responsible for information and communication security risk management of the Company is the IT Department.
- (2) The IT Department now consists of four sub-departments, namely, MIS, ERP & Programming, Cyber Security, and Automation Technology. Cyber Security, in particular, is exclusively responsible for information security-related affairs throughout the Group and directly reports to the President the Board of Directors on major matters.
- (3) The responsibilities of Cyber Security include internal network of the parent company and the subsidiaries and external network information security configurations, periodic risk assessment and planning of information and communication security tasks as part of daily production and operation, planning of the machine room information security environment hardware at the corporate level, and software annual plan and budget allocation, internal rules for employees to use computers and software/hardware settings, and monthly and quarterly information security system management and internal training and communication, among other working procedures. The audit unit provides supervisory advice according to the Audit Plan and prepares the audit report periodically and submits it to the Board of Directors. CPAs also inspect the IT operating setting on a yearly basis.

2. Information and Communication Security Policy

The IT Department first performs the risk assessment of possible hazards such as phishing mails, ransomware, intentional internal destruction, and malicious external invasion and then defines related strategies reflective of possible injuries for each category. The policy and system regulations can primarily be divided into the daily employee computer use regulations, the information security setting management guidelines for fundamental staff at the IT Department, and the information security strategic deployment of the management that includes file backup and rescue management and domestic and internal serial breakpoint, etc.

3. Substantial management solutions

- (1) Create a proper firewall: Record, observe, and control the inflows and outflows of network, the gateway transmission speed and frequency, and the software periodically.
- (2) Email host management: The domain keys identified mail (DKIM) system and domain-based message authentication reporting and conformance (DMARC) are adopted as the primary means to block blackmailing and virus mails. Meanwhile, the password needs to be changed periodically once every three months and abnormal flows or mails from suspicious IPs are monitored at all times in the system.
- (3) ERP system access setting: The people and units with access to the ERP programs are clearly defined and the irreversible mode is adopted for the data (that is, modification is subject to permissions from a higher-ranking officer). The ERP host system is backed up on a daily basis and the host is set up in a location with strict access control to ensure that external staff is unable to easily modify or damage it through the network or in the field.

- (4) Backup of cloud database and access to data: Besides the fact that respective departments have distinct reading access (restricted parallel cross-over among departments), the access to data is also clearly defined for people within the same department with different rankings (restricted vertical cross-over within the department). The database host is also managed for its readability through the firewall to ensure that the database will not be freely read and invaded by an external network. In addition, the database will be backed up in different hosts periodically to ensure uninterrupted production data and operations.
 - (5) Anti-virus software: Besides the above-mentioned control, at present, the Company's individual computers and central control host are installed with corresponding anti-virus software for preventive purpose and the actual data in the performance of respective major anti-virus software in blocking viruses for the year were mainly referred to while the candidate anti-virus software was being rated.
 - (6) Third-party information security management consultants: Besides the IT team of the Group, there are also third-party groups to periodically give advice on and evaluate the overall information security setting of the Company.
4. Resources devoted to the management of information and communication security
- Information security is now an important corporate operation issue. The corresponding information security management items and resources devoted are as follows:
- (1) Dedicated manpower: In 2023, a dedicated information security supervisor and an information security personnel were established to be responsible for the Company's information security planning, technology introduction and related auditing matters, in order to maintain and continue to strengthen information security.
 - (2) Customer satisfaction: There were no major information security events and no complaints about violations of or losses of customer data.
 - (3) Educational training: All newcomers completed the information security educational training program before they report to work and all employees completed two online information security educational training and evaluations. Throughout the year, a total of four social engineering phishing mail tests were performed.
 - (4) Information security announcement: The information security announcement is prepared each month to communicate important requirements and precautions in the protection of information security.
 - (5) The 2024 information and communication security operations were reported to the Board of Directors on May 9, 2025, and the information security risk management information has been disclosed on the Company's website.
- 4.6.2 List the losses as a result of major information and communication security events, their possible impacts, and countermeasures over the past year up to the date when the Annual Report was printed; if reasonable estimation is impossible, why it is impossible shall be specified: None.

4.7. Important Contracts

Nature of contract	Parties to the contract	Start/End dates of contract	Main contents	Restrictions
Lease	Superior Plating Technology Co., Ltd. ChiaChuan Investment Co., Ltd.	2022.12.1~2025.11.30	House (rental)	Lease
Lease	Top-Team Technology (Shen Zhen) Ltd. Shenzhen Bitou Co., Ltd.	2025.02.01~2026.01.31	Workshops and dormitory (rental)	Lease
Lease	Superior Plating Technology(Thailand) TICON Property Fund	2023.01.01~2025.12.31	Workshops (rental)	Lease
Lease	Hotai Leasing Corporation.	2023.06.09~2026.06.08	Automotive lease	Lease
Lease	Mercedes-Benz Financial Services Taiwan Ltd.	2024.11.29~2027.11.28	Automotive lease	Lease
Lease	Dongguan Guanjie Metal Surface Treatment Co., Ltd.	2021.03.01~2026.03.01	Workshops and dormitory (rental)	Lease
Legal contract	Cheng Yang International Law Firm	2024.9.13~2025.9.12	Executive legal counsel	Legal contract
IT Equipment Maintenance Contract	YU DING TECHNOLOGY CO., LTD.	2024.12.01~2025.11.30	IT Equipment Maintenance	IT Equipment Maintenance Contract

05.Review and Analysis of financial position and financial performance, and assessment of risks

5.1.Financial position

Unit: NT\$ thousand

Fiscal Year Item	December 31, 2023	December 31, 2024	Variation	
			Amount	%
Current assets	733,680	802,893	69,213	9
Property, plant and equipment	543,857	545,151	1,294	0
Intangible assets	1,481	907	(574)	(39)
Other assets	278,705	311,659	32,954	12
Total assets	1,557,723	1,660,610	102,887	7
Current liabilities	410,611	400,466	(10,145)	(2)
Non-current liabilities	86,703	115,973	29,270	(34)
Total liabilities	497,314	516,439	19,125	(4)
Equity attributable to owners of parent	903,448	998,740	95,292	(11)
Share capital	443,915	443,915	0	0
Capital surplus	322,843	328,899	6,056	2
Retained earnings	214,879	256,704	41,825	19
Other equity interest	(28,722)	(340)	28,382	(99)
Treasury shares	(49,467)	(30,438)	19,029	38
Non-controlling interest	156,961	145,431	(11,530)	(7)
Total equity	1,060,409	1,144,171	83,762	8

With a change over 20% and more than NT\$10 million during the past 2 fiscal years:

1. Non-current liabilities : The increase in non-current liabilities was mainly due to the new leased transportation equipment in 2024.
2. Other equity interest : Mainly due to exchange rate differences causing cumulative exchange differences.
3. Treasury shares : Mainly due to the transfer of part of the treasury shares to employees in 2024.

Where the effect is of material significance, measures to be taken in response: There is no material change in the Company's business except its growth in business scale.

5.2. Financial performance

5.2.1 Financial Performance Analysis:

Unit: NT\$ thousand

Item \ Fiscal Year	2023	2024	Increase (decrease) amount	Increase (decrease) percentage (%)
Operating revenue	922,521	1,028,623	106,102	12
Operating costs	(712,778)	(751,449)	(38,671)	5
Gross profit	209,743	277,174	67,431	32
Operating expenses	(174,382)	(194,802)	(20,420)	(12)
Operating income	35,361	82,372	47,011	133
Non-operating income and expenses	1,067	3,677	2,610	245
Net income before tax	36,968	86,049	49,081	133
Income tax expense (benefit)	(18,796)	(26,731)	(7,935)	(42)
Net income for the current period	18,172	59,318	41,146	226
Other comprehensive income	2,409	38,772	36,363	1509
Total comprehensive income for the year	20,581	98,090	77,509	377

Main reasons for any material change in operating revenues, operating income, or income before tax during the past 2 fiscal years:

1. Operating income, operating gross profit, operating net profit, net profit before tax, combined gains or losses: Due to increase in revenue.
2. Operating expenses: Fees recognized when transferring treasury shares to employees.
3. Non-operating income and expenses: Mainly due to the decrease in borrowing interest in 2024.

5.2.2 Possible impacts of expected sales quantities and their bases on the future financial operations of the Company and the response plan:

1. The Company, according to the macroeconomic changes, industrial dynamics, and business development plan, driven by growths of new business departments, expects that the sales will still grow in the coming year.
2. Expected possible benefits: It is expected that with the product yield and automation increased, the production cost will drop and the Company will become more competitive on the market to further expand its market share.

5.2.3 Potential Impact on the Company's Future Financial and Business Operations and Response Plans

5.3.Cash flow

5.3.1 Analysis of cash flow changes during the most recent fiscal year:

Unit: NT\$ thousand

Item \ Fiscal Year	2023	2024	Increase (decrease) ratio
Cash flow ratio	34.23	27.94	(6.29)
Cash flow adequacy ratio	145.62	157.80	12.18
Cash reinvestment ratio	7.58	5.30	(2.28)
Explanation: 1. Decrease in cash flow adequacy ratio and the cash flow reinvestment ratio: This was due to the decrease in net cash flow from operating activities in 2024.			

1. Analysis of Changes in Cash Flow:
The cash flow adequacy ratio and cash reinvestment ratio decreased, primarily due to the decline in net cash flows from operating activities in 2024.
2. Improvement plan for the insufficient liquidity: None.
3. Cash liquidity analysis for the coming year: The Company does not prepare the financial forecast for the coming year, including cash flows forecast.

5.4.Effect upon financial operations of any major capital expenditures during the most recent fiscal year:

The Company's operational status is sound and cash inflows from operating activities remain stable. Therefore, sources of funding for material capital expenditure over the past few years have mainly been its own operating funds; in other words, there are no material impacts on the finance of the Company.

5.5.Reinvestment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year:

1. Re-investment policy

As part of the Company's reinvestment policy over the past few years, the scope of investment focuses mainly on the expansion of surface treatment-related business and is devoted to diversification of the surface treatment business.

The Company's reinvestment policy is based on the internal control "investment cycle," the "Regulations Governing the Supervision and Governance of Subsidiaries," and the "Operating Procedure for Transactions Involving Specific Companies, Group Businesses, and Related Parties" followed by respective departments. The Company obtains operational and financial information from each of the subsidiaries periodically in order to have an understanding of their financial standing and to have effective control the operational performance of each subsidiary.

2. Earnings or deficits from reinvestments

Name of Company	Main Businesses and Products	Profit or loss in 2024	Main reason and improvement plan for the earnings or deficits
Superior Plating Corp.	Investment holding	84,517	Mainly due to recognition of re-investment gains of subsidiaries
Ever Superior Technologies Corporation	Surface treatment	(8,659)	Mainly due to the absence of revenue because of the fact that the Company is still under construction.
Extensive Management Consultant Inc.	Investment holding	97,404	Mainly due to recognition of re-investment gains of subsidiaries
Superior Drilling (HK) Limited	Investment holding	(17,307)	Mainly due to recognition of re-investment losses of subsidiaries
Superior Plating Technology Holding (Thailand) Co. Ltd.	Investment holding	4,734	Mainly due to recognition of re-investment gains of subsidiaries
Superior Plating Technology (Thailand) Co. Ltd.	Surface treatment	6,287	Mainly due to optimal operation and properly controlled cost and expenditure of the Company
Superior Industries (Shenzhen) Co., Ltd.	Surface treatment	(15,792)	Mainly due to the reduced demand on the market as a whole.
Top-Team Technology (Shenzhen) Ltd.	Electroplating of computer peripherals, communication equipment, and internal elements of consumer electronics	97,244	Mainly due to optimal operation and properly controlled cost and expenditure of the Company
Dongguan Guanjie Metal Surface Treatment Co., Ltd.	Surface treatment	911	Mainly due to the start of mass production after the company began operation

3. Investment plans for the following year: None.

5.6. Risk analysis and assessment of the following matters during the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report:

5.6.1 Impacts of changes in interest rate, exchange rate, and inflation on the Company's gains or losses and countermeasures in the future

1. Impacts of changes in interest rate and countermeasures in the future:

The amounts of expenses on interest as of the end of 2024 and 2023 of the Company were NT\$ 7,758 thousand and NT\$ 10,930 thousand, respectively, while interest income was NT\$ 4,222 thousand and NT\$ 4,630 thousand, respectively. The net worth accounted for (0.34%) and (0.68%) of the net revenue, respectively. The Company adopts a robust and conservative policy in the utilization of funds. The funds are configured mainly with bank CDs and debts funds. The Company has generally sufficient funds for the time being and keeps optimal relationships with banks to hopefully obtain relatively preferred financing interest rates and to observe the interest rate changes on the financial market on the Company's funding so that countermeasures may be taken at any time to remain flexible. In other words, changes in the interest rate shall not have material impacts on the Company in general.

2. Impacts of changes in exchange rate and countermeasures in the future:

The Company deals primarily with natural hedging and the Company pays attention to changes in exchange rates at all times and settles adequately in order to reduce foreign currency positions exposed to the risk. The exchange gains or losses of 2024 and 2023 were NT\$ 1,717 thousand and NT\$ 5,709 thousand, respectively, accounting for 0.17% and 0.62% of the net revenue, respectively. Due to the fact that the Group nearly purchases and sells and allocates daily funds exclusively in RMB. The exchange gains or losses are mainly from unrealized appraisal gains or losses incurred by foreign currencies and have no material impacts on the actual operations of the Group. In cases of changes in exchange rates that impact profits in the future, the following countermeasures will be taken:

A. Stay in close contact with current banks in order to refer to expert opinions and consult them at any time on exchange rate trends and related data to fully keep track of the trends and to adequately adjust foreign currency positions so that the exchange risk may be prevented.

B. The sales department shall apply the local currency in quotations wherever possible in order to reduce foreign exchange time-related risk and to ensure profits of the Company's products.

C. Procurement staff shall pay in local currency wherever possible in order to avoid the exchange rate risk.

3. Impacts of inflation and countermeasures in the future

Impacted by global inflation and rising costs of freight and logistics and the supply chain, prices of raw materials and regular materials continue to climb internationally to result in the increase in the procurement cost. The Group will closely monitor price fluctuations on the market at all times and sign long-term procurement agreements with key suppliers to ensure that the impacts from fluctuating prices of key raw materials and regular materials on the market to a minimum and seek alternative and competitive suppliers for regular materials in large quantities in order to cope with possible material impacts of inflation on the Company.

5.6.2 Policies on high-risk, highly leveraged investments, loan of funds to other parties, endorsements, guarantees and derivatives and Exchange, main reasons for the and its of

waste or losses generated thereby, and the year strategies.

The Group has been focusing on its mainstream business and runs business practically. The financial policy is based on robustness and conservatism. No high-risk or high-leverage investments are engaged in. In addition, the Company follows the policies and countermeasures defined in accordance with the Group's "Operating Procedure for Lending to Others," "Operating Procedure for Endorsement and Guarantee," "Procedure for the Acquisition or Disposal of Assets," and "Procedure for Trading Derivatives" when lending funds to others, providing endorsements or guarantees, and trading derivatives. Funds are lent and endorsements/guarantees are provided mainly because of the required short-term financing funds with the recipient. The Company follows the procedures by imposing applicable control.

5.6.3 Future research and development plans and R&D expenses expected to be devoted

1. Future R&D Plans

The Company will focus mainly on the surface treatment of appearance pieces for its deployment of product R&D in the future and target the investigation of related technologies for wearable, appearance threshold, and customized products. The solution system will continue to be improved and automatic production equipment will be developed. The existing pearl nickel and bright nickel processes will be reinforced. Meanwhile, in light of also the environmental protection trend, technologies to improve the recycling and treatment of waste will be researched and developed and reduced water and electricity consumption and reduced pollution discharge will continue to be monitored and improved.

2. Devoted R&D expenditure

The Company values R&D staff and related equipment investments. Through internal educational training, along with customer development qualification and collaboration with external organizations, capabilities of the R&D team are accumulated. In addition, product line planning is reinforced. New plating opportunities are being proactively explored and automatic equipment is designed and introduced for improved efficiency. In the future, the Company will continue to improve its techniques, optimize its equipment, and introduce automation with gradual appropriations reflective of the developmental status. Investments in the R&D of new products and expansion of R&D staff will continue. It is expected that the R&D expenditure in the future will also increase along with the growth in revenue in order to reinforce the competitive advantages of the Company on the market. It is expected that the R&D expenditure invested for 2025 will be NT\$ 25,712 thousand.

5.6.4 Impacts of the changes in important domestic and overseas policies and Act on the Company's finance and business and countermeasures:

Being a professional surface treatment company, the Company has customers, competitors, and suppliers spread throughout the world. Under such globalization trend, changes in related important policies and laws in respective countries can all directly or indirectly impact the whole industry chain (including the Company). Besides following applicable domestic and international laws and regulations, the Company pays close attention to the developments of domestic and international policies at all times and consult related professionals and take countermeasures in a timely manner as required by local laws and regulations. There are no material impacts to date.

5.6.5 Effects of technological changes and industrial changes on the financial standing of the company and countermeasures:

The Company's sales and R&D departments frequently analyze the evolutionary changes to products and technologies on the market and get to know the changes in the supply and demand of the industry and keep track of the impacts that technological and

industrial changes have on the Company in a timely manner. For the time being, technological and industrial changes have no obvious impacts on the financial operation and the Company continues to monitor related industrial changes and technological advancement and adequately adjust related countermeasures and come up with effective ones in order to timely research and develop products meeting the demand on the market and to improve the competitive advantages of the Company.

5.6.6 Impacts of changes in the corporate image on the management of corporate risks and the countermeasures:

Since it was established, the Company has been adhering to the operational principles of integrity and steadfastness. The corporate image is valued and applicable regulatory requirements are followed. Meanwhile, harmonious labor-management and local relations are maintained. There were no conditions that would impact the corporate image over the past year and up to the date when the Annual Report was printed.

5.6.7 Expected benefits and possible risks of mergers and acquisitions and countermeasures:

Over the past year up to the date when the Annual Report was printed, the Company did not engage in mergers and acquisitions. Should there be M&A plans in the future, they will be carefully evaluated, taking into consideration whether or not they will bring about substantial synergistic effects for the Company in order to precisely protect the interests of the Company and those of the shareholders.

5.6.8 Expected benefits and possible risks of the expansion of plants and countermeasures:

A major investment plan of the Company is to increase the ratio of reinvestment in Superior (Thailand). For related expected benefits, possible risks and countermeasures, refer to Four. Fund-raising “VIII. Implementation of Capital Utilization Plan.”

5.6.9 Risks associated with focused purchases or sales and countermeasures:

1. Evaluation of focused purchases risk and countermeasures

The Superior Group is a professional metal surface treatment service provider. In light of the industry characteristics, most of the solutions required for electroplating need to be certified and approved by customers. Therefore, purchases of key raw materials of the Group have been primarily from a single supplier. To avoid a shortage in raw materials or price fluctuations on the market, however, the Group will pay close attention to price fluctuations on the market and long-term purchase agreements are entered into with key suppliers in order to ensure minimized impacts on the supply of key raw materials and regular materials and price fluctuations on the market. Key suppliers, on the other hand, are mostly domestic or international heavyweight solution manufacturers so the supply is relatively steady.

The Company is devoted to maintaining close and long-lasting partnerships with key suppliers and periodically evaluating the quality, lead time, and purchase prices of raw materials of suppliers in order to have products of a quality meeting customer requirements, smooth supply of key raw materials, and reduce the purchase cost.

2. Evaluation of focused sales risk and countermeasures

In order to avoid the risk of focused sales, the Company has gradually explored new customers or devoted to providing existing customers with new products and surface treatment service, constantly enhanced its technologies, and improved processes; in addition, the Company proactively enters the market for new products and acquires new surface treatment processes in response to the changes in demand on the market and reflective of the developments in the application of products. All have demonstrated efficacy.

In addition, the Company continues to evaluate the financial standing of and substantial payments collected from main customers and evaluates periodically the possibility of recovering accounts receivable.

5.6.10 Impacts and risks of transfer or exchange of stock options in large quantities by directors, or heavyweight shareholders holding more than 10% of all shares on the Company and countermeasures:

There was no transfer or replacement of equities in large quantities over the past year and up to the date when the Annual Report was printed among the Company's directors or shareholders with a holding ratio exceeding 10%.

5.6.11 Impacts and risks of the change in the management on the Company and countermeasures:

The management of the Company has been devoted to sustainable development of the Company and has not been changed over the past year and up to the date when the Annual Report was printed.

5.6.12 Litigation or non-litigation event, any material litigation, non-litigation or administrative litigation for which judgment has been made or is pending for judgment related to the company and its directors, President, actual responsible persons, and shareholders holding more than 10% of the Company's shares and, if the result thereof may have significant influence on shareholders' rights and interests or the price of securities, the fact, object amount, litigation commencement date, main parties involved and the settlement condition as of the publication date of the annual report shall be specified: The Company's management team has been devoted to conforming transactions and there are no determined or yet-to-be-determined lawsuits.

5.6.13 Other important risks and countermeasures:

1. Information security assessment and analysis and the countermeasures measures:

- A. At present, basically there are the Intranet and the Extranet, which are separated from each other, adopted by the Company and a firewall and access control between them in order to prevent intentional internal damage and intentional external invasion.
- B. For viruses and phishing scam letters, the Company adopts the third-party filtration system to filter letters in large quantities and installs one of the Top 10 antivirus software from the annual review to be the daily preventive measure in the Company
- C. Information security education and periodical training on information security-related measures are provided to newcomers.

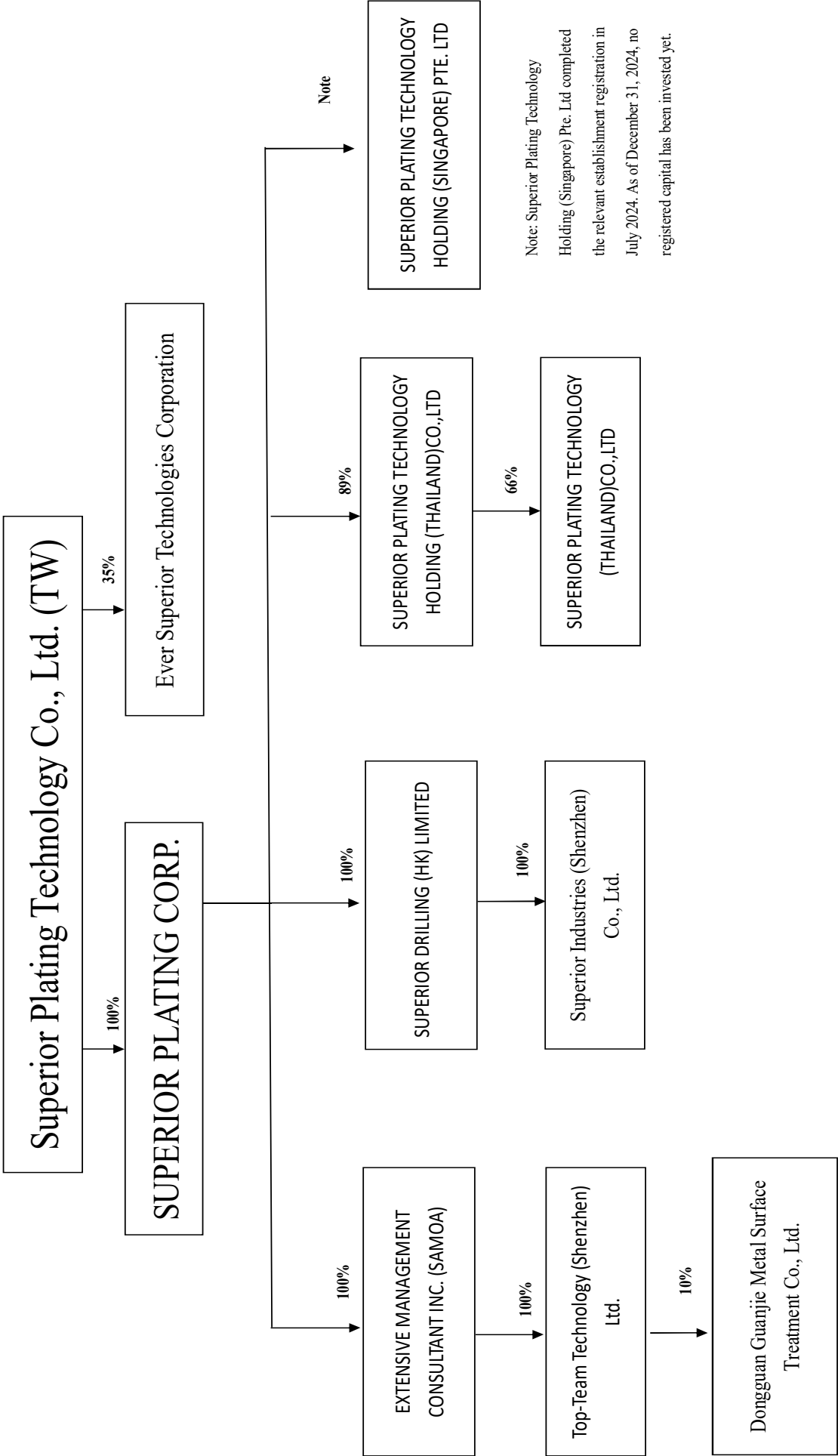
5.7. Other important matters: None.

06. Special Disclosure

6.1.Information on affiliates

6.1 Consolidated Business Reports Covering Affiliated Enterprises

6.1.1. Organizational chart of affiliates



6.1.2. Basic information on affiliates

December 31, 2024			Unit: NT\$ thousand; RMB/USD/HKD thousand;	
Enterprise name	Date of Incorporation	Address (Remarks)	Paid-in capital size	Major scope of operation or production items
Superior Plating Corp.	1999.6.17	British Virgin Islands	641,729	Investment holding
Ever Superior Technologies Corporation	2021.5.27	Taiwan	63,000	Surface treatment
Extensive Management Consultant Inc.	2006.7.7	Samoa	40,000	Investment holding
Superior Drilling (HK) Limited	2008.4.7	Hong Kong, China	484,231	Investment holding
Superior Industries (Shen Zhen) Co., Ltd.	2004.4.7	Shenzhen, China	HKD 89,000	Surface treatment
Superior Plating Technology Holding (Thailand) Co. Ltd.	2016.7.25	Seychelles	169,688	Investment holding
Superior Plating Technology (Thailand) Co. Ltd.	2016.9.7	Thailand	187,318	Surface treatment
Superior Plating Technology (Singapore) Pte. Ltd	2024.7.2	Singapore	Note	Investment holding
Top-Team Technology (Shen Zhen) Ltd.	2000.3.21	Shenzhen, China	USD 1,000	Electroplating of computer peripherals, communication equipment, and internal elements of consumer electronics
Dongguan Guanjie Metal Surface Treatment Co., Ltd.	1994.6.8	Dongguan, China	RMB 90,563	Surface treatment

Note: Superior Plating Technology Holding (Singapore) Pte. Ltd completed the relevant establishment registration in July 2024. As of December 31, 2024, no registered capital has been invested yet.

6.1.3. The reason and information of companies presumed to have a relationship of control and subordination under Article 369-3 of the Company Act: None.

6.1.4. The industries covered by the business operated by the affiliates overall: surface treatment, metal parts cleaning, pickling, phosphating and oxidation, and design and development of sensors and electronic and electrical devices.

6.1.5. The information of the directors and general manager of each affiliate:

Unit: thousand shares December 31, 2024

Enterprise name	Title	Name or representative	Shareholding	
			Number of Shares	Shareholding percentage
Superior Plating Corp.	Director	Superior Plating Technology Co., Ltd. Corporate director representative: Li, Su-Pai	11,976	100
Ever Superior Technologies Corporation	Director	Superior Plating Technology Co., Ltd. Corporate director representative: Li, Su-Pai	6,300	35
Extensive Management Consultant Inc.	Director	Superior Plating Corp. Corporate director representative: Li, Su-Pai	1,000	100
Superior Drilling (HK) Limited	Director	Superior Plating Corp. Corporate director representative: Li, Su-Pai	89,000	100
Superior Plating Technology Holding (Thailand) Co. Ltd.	Director	Superior Plating Corp. Corporate director representative: Li, Su-Pai	5,530	89
Superior Plating Technology (Thailand) Co. Ltd.	Director	Superior Plating Technology Holding (Thailand) Co. Ltd. Corporate director representative: Li, Su-Pai	2,192	66
Superior Plating Technology (Singapore) Pte. Ltd	Director	Superior Plating Corp. Corporate director representative: Li, Su-Pai/Wu, Chia-Chuan	Note	
Superior Industries (Shen Zhen) Co., Ltd.	Director	Superior Drilling (HK) Limited Corporate director representative: Lai, Mao-Sheng	89,000	100
Top-Team Technology (Shen Zhen) Ltd.	Director	Extensive Management Consultant Inc. Corporate director representative: Lai, Mao-Sheng	1,000	100
Dongguan Guanjie Metal Surface Treatment Co., Ltd.	Director	Superior Drilling (HK) Limited Corporate director representative: Lai, Mao-Sheng	9,056	10

Note: Superior Plating Technology Holding (Singapore) Pte. Ltd completed the relevant establishment registration in July 2024. As of December 31, 2024, no registered capital has been invested yet.

6.1.6. Overview of the operations of the affiliates: (Date of preparation: December 31, 2024)

Overview of the operations of the affiliates

Enterprise name	Amount of capital	Total assets	Total liabilities	Net value	Operating revenue	Operating gains (losses)	After-tax net gains (losses)	Unit: NT\$ thousand	
								Earnings per share (NT\$) (after-tax)	
Superior Plating Corp.	347,781	1,050,394	0	1,050,394	0	(416)	84,517	N/A	
Extensive Management Consultant Inc. (Samoa)	37,583	463,556	0	463,556	0	(32)	97,404	N/A	
Superior Drilling (HK) Limited	327,613	364,527	1,680	362,847	406	(3,455)	(17,307)	N/A	
Superior Plating Technology Holding (Thailand) Co. Ltd.	191,288	238,632	178	238,455	0	(761)	5,947	N/A	
Superior Plating Technology (Thailand) Co. Ltd.	309,852	487,047	137,488	349,559	169,812	9,175	9,518	N/A	
Superior Plating Technology (Singapore) Pte. Ltd									
Superior Industries (Shen Zhen) Co., Ltd.	381,001	436,306	118,297	318,009	279,824	(18,808)	(15,792)	N/A	
Top-Team Technology (Shen Zhen) Ltd.	37,583	802,088	341,648	460,441	699,672	112,157	97,244	N/A	
Dongguan Guanjie Metal Surface Treatment Co., Ltd.	494,121	1,050,172	674,396	375,776	761,037	33,428	9,111	N/A	
Ever Superior Technologies Corporation	180,000	180,175	147,118	33,057	55,220	(20,099)	(24,741)	N/A	
Note									

Note: Superior Plating Technology Holding (Singapore) Pte. Ltd completed the relevant establishment registration in July 2024. As of December 31, 2024, no registered capital has been invested yet.

6.1.7 Consolidated Financial Statements of the Affiliates:

The entities included in the Company's consolidated financial statements of the affiliates for the year 2024 (from January 1 to December 31, 2024) in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" are identical to those included in the consolidated financial statements of the Company and its subsidiaries in accordance with the IFRS 10, and the information required to be disclosed in the consolidated financial statements of the affiliates was already provided in the consolidated financial statements of the Company and its subsidiaries, so the Company does not prepare the consolidated financial statements of the affiliates separately.

6.1.8 Affiliation report: None.

6.2. Private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.

6.3 Other matters that require additional description: None.

07. Corporate events with material impact on shareholders' equity or stock prices set forth in Article 36, Paragraph 3, Subparagraph 2 of Securities and Exchange Act: None.

Superior Plating Technology Co., Ltd.



Responsible person: Hua, Lei-Je





SUPERIOR PLATING