

Taiwan Hopax Chems. Mfg. Co., Ltd.
Minutes for the 2025 General Shareholders' Meeting

Time: 9:00 a.m., June 19, 2025 (Thursday)

Venue: The Company's B1 Conference Room (in-person shareholders' meeting)

(No. 28, Huadong Rd., Chaoliao Village, Daliao Dist., Kaohsiung City)

Attendants:

113,207,855 shares represented by shareholders, (personal present and proxies present) which accounts for 56.81% of total 199,271,326 outstanding shares (excluding 219,000 non-voting shares)

Director attendees:

Director Tsung-Tien Kuo, Director Mei-Lin Kuo, Director Chung-Sheng Cheng

Non-shareholding attendees:

Deloitte Touche Tohmatsu International Taiwan, Chiu-Yen Wu, CPA

Masahiro Attorneys-at-Law, Shu-Wei Chang, Attorney

Chairman: Tsung-Tien Kuo

Recorder: Wei-Ling Sun

I. Meeting called to order

II. Opening Remarks by the Chairperson (omitted)

III. Reported Items

(I) 2024 Business Report

Description: 1. The Company's consolidated operating revenue in 2024 was NT\$4,745,793 thousand, which was an increase of approximately 5.0% from the consolidated operating revenue of NT\$4,521,236 thousand in 2023. The net income after taxes was NT\$489,909 thousand, which was an increase of approximately 13.9% from NT\$429,990 thousand in 2023.

2. Please refer to Attachment I for the 2024 Business Report.

3. Please review.

(II) 2024 Independent Auditor's Report

Description: 1. The Company's final statements for 2024 have been audited by the CPA and reviewed by the Audit Committee. Please refer to Attachment IV for the Audit Committee's review report.

2. Please review.

(III) Report on the distribution of remuneration for 2024 to employees and Directors

Description: 1. The Company proposed to distribute remuneration of NT\$21,028,060 to employees and NT\$4,306,952 to Directors and both remunerations shall be in cash. The proposal has been approved by the Board of Directors on March 13, 2025 and submitted to the shareholders' meeting.

2. Please review.

(IV) Report the 2024 performance assessments and compensation levels of directors, and managerial officers

- Description: 1. The Company's remuneration for Directors is determined based on the "Regulations Governing the Remuneration of Directors and Members of Functional Committees" and Article 29 of the "Articles of Incorporation". No more than 2% of the profits from the current year shall be distributed as remuneration to Directors for the current year. The "Regulations Governing the Remuneration of Directors and Members of Functional Committees" of the Company require the Company to consider the results of the performance evaluation of the Directors, the Directors' participation and contribution to operations, and the prevailing remuneration in the domestic and international industry to determine a reasonable level of remuneration.
2. The remuneration paid by the Company to managerial officers shall be based on the Company's remuneration policy, the remuneration level of the position in the industry market, and the scope of authority and responsibility of the position within the Company. The Company shall also reference the annual performance evaluation of individual managerial officers and their contribution to the Company to provide reasonable remuneration payment.
3. The performance evaluation and the reasonableness of salary and remuneration for Directors and managerial officers shall be reviewed by the Remuneration Committee and the Board of Directors. The remuneration system shall also be reviewed constantly based on actual business operations and related laws.
4. Please refer to Attachment V of the 2024 Remuneration to Ordinary Directors and Independent Directors.
5. Please review.

(V) Report on the Distribution of Cash Divided from Earnings in 2024

- Description: 1. The Company's proposal for the distribution for 2024 earnings was prepared in accordance with the Company Act and the Articles of Incorporation and was passed in a resolution of the Board of Directors on March 13, 2025. Please refer to Attachment VI.
2. The Company proposes to distribute dividends of NT\$259,337,424 from 2024 earnings to shareholders in cash, with each share to be allotted at

NT\$1.30. The cash allotment shall be rounded to the nearest NT\$1 (amounts less than NT\$1 shall be rounded off). Any amount less than NT\$1 will be recognized as the Company's miscellaneous income.

3. The Company also authorizes the Chairman of the Board of Directors to determine the baseline date for the distribution of dividends and the payment date. Where the number of outstanding shares changes as a result of the conversion of convertible bonds issued by the Company into common shares at the request of the holders, repurchase of the Company's shares, transfer, conversion and cancellation of treasury stock, or other changes in shares, the Chairman is authorized to adjust the dividend distribution per share accordingly.

4. Please review.

(VI) Report on the Company's sixth issue of domestic unsecured convertible corporate bonds

Description: 1. To repay bank loans and for the capital expenditures for constructing a new plant in Pingtung Science Park, the Company's report on the sixth issue of domestic unsecured convertible corporate bonds became effective in Letter Jin-Guan-Zheng-Fa-Zi No. 11303425791 from the Financial Supervisory Commission dated May 23, 2024. Please refer to Attachment VII for the report on matters related to the corporate bonds.

2. Please review.

(VII) Report on the implementation status of the Company's share buyback

Description: 1. For more information on the Company's eighth share buyback in 2025, please refer to Attachment VIII.

2. Please review.

(VIII) Report on the amendment to the Ethical Corporate Management Best Practice Principles

Description: 1. An amendment to articles of the Company's Ethical Corporate Management Best Practice Principles was proposed after referencing related laws and regulations and the Company's actual situation, and will provide better best practice principles for the Company's directors, employees, and other stakeholders to follow. For the comparison table of the articles before and after the amendment, please refer to Attachment IX and Attachment X.

2. The best practice principles were passed in a resolution of the Board of Directors.

3. Please review.

(IX) Report on the amendment to the Code of Ethical Conduct

Description: 1. An amendment to articles of the Code of Ethical Conduct was proposed in order to align with the trends in corporate governance development, adhere to anti-corruption and anti-bribery regulations, and consider the company's actual operational conditions. For the comparison table of the articles before and after the amendment, please refer to Attachment XI and Attachment XII.

2. The conduct was passed in a resolution of the Board of Directors.

3. Please review.

(X) Report on Endorsements and guarantees by the Company and subsidiaries

Description: 1. The Company and its subsidiaries have not provided any endorsements and guarantees as of the end of December 2024.

2. Please review.

(XI) Report on fund loans to others by the Company and subsidiaries

Description: 1. The loans to others by the Company and subsidiaries as of the end of December 2024 are specified in the table below:

Recipients of loans Company name	Recipient		Ending balance	
	Company name	Relationship	Total amount	Amount used
The Company	Hopax Europe	Parent company and subsidiary	€200 thousand	-

2. Please review.

IV. Matters for Ratification

Case 1:

Proposal: Ratification of the 2024 Business Report and financial statements (proposed by the Board of Directors)

Description: 1. The Company's 2024 financial statements have been audited and authenticated by the CPAs Chiu-Yen Wu and Kai-Ning Hsu of Deloitte Taiwan, who issued an unqualified opinion in the Audit Report.

2. The 2024 Business Report and financial statements have been passed by the Board of Directors in a resolution and submitted to the Audit Committee which completed its review.

3. Please refer to Attachment I to III for the 2024 Business Report, CPAs' Audit Report, and financial statements.

4. Please ratify.

Resolution: Voting result-shares represented at the time of voting: 113,207,855

Voting result including votes casted by e-voting		% of the total represented share present
Votes in favor	107,402,105 votes	94.87%
Votes against	43,530 votes	0.03%
Votes invalid	0 votes	0.00%
Votes abstained and No votes	5,762,220 votes	5.08%

The above proposal was accepted as submitted.

Case 2:

Proposal: 2024 Earnings Distribution Statement (proposed by the Board of Directors)

Description: 1. The Company's net income after tax for 2024 was NT\$489,909,403 and we allocated NT\$50,524,102 to the legal reserve and reversed NT\$70,670,490 to the special reserve in accordance with laws. The distributable earnings totaled NT\$1,213,926,060 and the Company proposes to distribute NT\$259,337,424 in cash dividends. The case was reported to and passed by the Board of Directors on March 13, 2025.

2. Please refer to Attachment VI for the 2024 Earnings Distribution Statement.

3. Please ratify.

Resolution: Voting result-shares represented at the time of voting: 113,207,855

Voting result including votes casted by e-voting		% of the total represented share present
Votes in favor	107,596,992 votes	95.04%
Votes against	46,648 votes	0.04%
Votes invalid	0 votes	0.00%
Votes abstained and No votes	5,564,215 votes	4.91%

The above proposal was accepted as submitted.

V. Matters for Discussion

Proposal: Amendment of the Company's Articles of Incorporation (proposed by the Board of Directors)

Description: 1. In accordance with the amended Article 14, Paragraph 6 of the Securities and Exchange Act, as announced on August 7, 2024, when a company whose stock is listed for trading on a stock exchange or over-the-counter securities exchange shall specify in its articles of incorporation that a certain percentage of its annual earnings shall be allocated for salary adjustments or compensation distributions for its entry-level employees, the Company proposes to amend certain provisions of its Articles of Incorporation. For a comparison of the original and amended provisions, please refer to Attachment XIII.

2. Please approve.

Resolution: Voting result-shares represented at the time of voting: 113,207,855

Voting result including votes casted by e-voting		% of the total represented share present
Votes in favor	107,599,653 votes	95.04%
Votes against	43,986 votes	0.03%
Votes invalid	0 votes	0.00%
Votes abstained and No votes	5,564,216 votes	4.91%

The above proposal was accepted as submitted.

VI. Special Motions: None.

No questions raised by the shareholders.

Meeting Adjourned: June 19, 2025 at 10:00 a.m.

Taiwan Hopax Chems. Mfg. Co., Ltd.
2024 Business Report

I. Results of operations

Hopax pursues sustainable and steady business growth and attaches great importance to corporate social responsibility. We are honored to be recognized for "excellence in disclosing occupational safety and health indicators in the corporate sustainability report by the Occupational Safety and Health Administration, Ministry of Labor in 2024." The Company was also recognized with the Excellent Group Award in the Workplace Employee Health Promotion Award Project of Kaohsiung City Government Department of Health, the "Taiwan Corporate Sustainability Report Award Traditional Manufacturing Gold Award" from the Taiwan Institute for Sustainable Energy (TAISE), and obtained the international certification EXCiPACT GMP July 2024. In 2024, the Group's consolidated revenue was NT\$4,745,793 thousand, consolidated net profit after tax of was NT\$489,909 thousand, and basic earnings per share after taxes was NT\$2.71. Despite the impact of geopolitics, slowing customer demand, and growingly intense market competition, all employees of the Company continued to actively face the challenges by focusing on R&D and promoting green products that combine environmental benefits, carbon reduction advantages, and cost competitiveness. Guided by the core value of "innovation," the Company is diversifying products in coordination with the Group's mid- and long-term strategic plans. The Company successfully completed a cash capital increase in September 2024. The capital raised will be invested in the construction of a new plant in Pingtung Science Park, focusing on the development of waste reduction and energy-saving related products and process technologies. This move is not only aligned with the global trend of ESG and sustainable development, but will also ensure that the Company maintains its leading position in a volatile market environment, and stably creates long-term investment value for shareholders.

II. Future prospects

The global business environment still faces many variables in environmental protection, carbon emissions, and the political and economic situation. In order to maintain steady profit growth, the operating strategies of each major product are described below:

- a. Fine chemicals: We plan and flexibly allocate production resources of our Dafa and Changshu Plants to meet customer needs, and use new technologies to reduce wastewater and raw material costs, while reducing energy consumption and carbon emissions. We implemented standards of the IPEC GMP certification to stabilize product quality; established overseas warehouses to more agilely provide customer services; continue to develop pharmaceutical customers, expand fields of

application for our products, and focus on ESG to increase the brand value of HOPAX.

- b. Specialty chemicals : Focus on implementing new processes for dispersants, improve production efficiency and quality, give full play to the development and improvement capabilities of the three plants, and accelerate function optimization for main products. Continue to expand main NTR and dispersant products for star products to gain the largest market share while maintaining stable gross profit margins, actively expand market share in Asian and African markets, and seize European and American export opportunities.
- c. Stick'N products: We implement lean management, introduce automated equipment, reduce excluded working hours, improve unit output and personnel efficiency, and strive to reduce production costs and inventory levels. In addition, we are developing eco-friendly product lines and differentiating products in line with ESG trends. This supports our goal to become the global OEM leader for Stick'N products.
- d. Agricultural technology products: In response to global climate anomalies, green energy industries, and sustainable fishery policies, pollution-free and eco-friendly products are the latest trend in agriculture around the world. We plan to promote different products through different channels, and use actual results in Taiwan to expand sales to Southeast Asia and China, so that the Agricultural Science Business Department will play an important role in the global agricultural development trend.
- e. Subsidiary Hopax Biomedical: GreenKey creates ALL IN ONE 360 brand for formaldehyde removal. HYGIENECARE has reshaped its brand image and expanded its applicability, becoming an expert in solving antibacterial problems for the whole family. We also actively expand physical channels, distribute products to pet stores, launch new pet healthcare products, and significantly increased the frequency of participating in exhibitions and cooperating with local distributors in Hong Kong and Macau.
- f. Subsidiary SeeCure Taiwan: We continue to advance promising new drugs to the cell experiment and animal trial stages, and actively apply for and obtain new drug patents to create higher output value for Taiwan's biopharmaceutical development.

Hopax Group's long-term development strategy: We will focus on green eco-friendly process technology, and meet customer needs through diversification and innovation. We maintain a positive spirit and set challenging goals for each phase to continue enhancing the Group's competitiveness in sustainability.

Chairman:

Manager:

Accounting Supervisor:

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Taiwan Hopax Chemicals Mfg. Co., Ltd.

Opinion

We have audited the accompanying parent company only financial statements of Taiwan Hopax Chemicals Mfg. Co., Ltd. (the "Company"), which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Company's parent company only financial statements for the year ended December 31, 2024 is as follows:

Occurrence of revenue

The main source of revenue of the Company comes from sales of specialty chemicals, fine chemicals, stick'N, and the sales revenue from specific customers with significant sales amounts have increased significantly. Under Standards on Auditing, revenue has a presumed risk of fraud. Therefore, we deemed the occurrence of revenue from specific customers a key audit matter.

In response to the specific matter described above, we have carried out audit procedures, including:

1. We obtained an understanding of and tested the effectiveness of the controls over the authenticity of recognized revenue are effective.
2. We obtained detailed information on the sales revenue of specific customers, selected appropriate samples, checked shipping documents or bill of lading, etc., and checked

whether the amount and object of payment were consistent with the object of sales to confirm that revenue had actually occurred.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of the Company's financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process..

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partners on the audits resulting in this independent auditors' report are Chiu-Yen Wu and Kai-Ning Hsu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 13, 2025

Notice to Readers

The accompanying parent company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

Taiwan Hopax Chemicals Manufacturing Co., Ltd.

PARENT COMPANY ONLY BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	December 31, 2024		December 31, 2023	
ASSETS	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 935,056	13	\$ 158,456	3
Financial assets at FVTPL - current (Notes 4, 7 and 28)	346	-	2,765	-
Notes receivable (Notes 4, 9 and 22)	9,870	-	11,497	-
Accounts receivable, net (Notes 4, 9 and 22)	604,031	9	467,942	8
Accounts receivable - related parties (Notes 9, 22 and 29)	197,470	3	136,659	3
Other receivables	10,985	-	9,842	-
Other receivables - related parties (Note 29)	5,839	-	5,424	-
Inventories (Notes 4, 5 and 10)	686,032	10	569,316	10
Prepayments	11,979	-	18,506	-
Other current assets	1,963	-	1,150	-
Total current assets	2,463,571	35	1,381,557	24
NONCURRENT ASSETS				
Financial assets at FVTOCI - noncurrent (Notes 4, 8 and 28)	-	-	12,541	-
Investments accounted for using the equity method (Notes 4 and 11)	2,877,763	41	2,773,056	48
Property, plant and equipment (Notes 4, 12, 30 and 31)	1,497,582	22	1,506,167	26
Right-of-use assets (Notes 4 and 13)	10,974	-	14,708	-
Investment properties (Notes 4 and 14)	8,900	-	8,356	-
Deferred tax assets (Notes 4 and 24)	119,536	2	127,956	2
Prepayments for equipment	5,638	-	7,242	-
Refundable deposits	20,514	-	6,165	-
Other noncurrent assets	11,049	-	10,425	-
Total noncurrent assets	4,551,956	65	4,466,616	76
TOTAL	\$ 7,015,527	100	\$ 5,848,173	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 15)	\$ 645,000	9	\$ 375,000	7
Financial liabilities at FVTPL - current (Notes 4, 7 and 28)	3,691	-	304	-
Contract liabilities (Notes 4 and 22)	12,259	-	14,085	-
Accounts payable (Note 17)	111,271	2	127,025	2
Accounts payable - related parties (Notes 17 and 29)	311,151	4	277,804	5
Other payables (Note 18)	207,369	3	183,348	3
Other payables - related parties (Note 29)	361	-	300	-
Current tax liabilities (Notes 4 and 24)	56,309	1	67,216	1
Lease liabilities - current (Notes 4 and 13)	3,805	-	4,098	-
Current portion of long-term borrowings (Notes 15 and 30)	-	-	416,667	7
Bonds payable due within one year (Note 16)	-	-	280,311	5
Other current liabilities	3,698	-	5,878	-
Total current liabilities	1,354,914	19	1,752,036	30
NONCURRENT LIABILITIES				
Bonds payable (Note 16)	474,244	7	-	-
Long-term borrowings (Notes 15 and 30)	-	-	208,333	3
Provisions - noncurrent (Notes 4 and 19)	4,788	-	4,789	-
Deferred tax liabilities (Notes 4 and 24)	106,567	2	98,734	2
Lease liabilities - noncurrent (Notes 4 and 13)	7,333	-	10,722	-
Net defined benefit liabilities (Notes 4 and 20)	22,371	-	42,349	1
Guarantee deposits received	322	-	-	-
Total noncurrent liabilities	615,625	9	364,927	6
Total liabilities	1,970,539	28	2,116,963	36
EQUITY (Note 21)				
Ordinary shares	1,994,903	28	1,734,903	30
Capital surplus	1,322,701	19	627,972	11
Retained earnings				
Legal reserve	462,934	7	418,584	7
Special reserve	352,143	5	316,196	5
Unappropriated earnings	1,193,779	17	985,698	17
Total retained earnings	2,008,856	29	1,720,478	29
Other equity	(281,472)	(4)	(352,143)	(6)
Total equity	5,044,988	72	3,731,210	64
TOTAL	\$ 7,015,527	100	\$ 5,848,173	100

The accompanying notes are an integral part of the parent company only financial statements.

Taiwan Hopax Chemicals Manufacturing Co., Ltd.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 22 and 29)	\$ 3,415,043	100	\$ 3,042,286	100
OPERATING COSTS (Notes 10, 20, 23 and 29)	<u>2,524,567</u>	<u>74</u>	<u>2,307,263</u>	<u>76</u>
GROSS PROFIT	890,476	26	735,023	24
UNREALIZED GAIN ON TRASACTTIONS WITH SUBSIDIARIES (Notes 4)	12,212	-	-	-
REALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES (Note 4)	<u>-</u>	<u>-</u>	<u>190</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>878,264</u>	<u>26</u>	<u>735,213</u>	<u>24</u>
OPERATING EXPENSES (Notes 9, 20, 23 and 29)				
Selling and marketing	190,651	6	154,788	5
General and administrative	171,593	5	163,095	6
Research and development	127,235	4	127,908	4
Expected credit loss recognized (reversed)	<u>734</u>	<u>-</u>	<u>(1,412)</u>	<u>-</u>
Total operating expenses	<u>490,213</u>	<u>15</u>	<u>444,379</u>	<u>15</u>
PROFIT FROM OPERATIONS	<u>388,051</u>	<u>11</u>	<u>290,834</u>	<u>9</u>
NON-OPERATING INCOME AND EXPENSES (Notes 23 and 29)				
Interest income	4,419	-	3,316	-
Other income	22,890	1	29,313	1
Other gains and losses	11,441	-	798	-
Finance costs	(22,609)	-	(26,847)	(1)
Share of profit or loss of subsidiaries	<u>203,585</u>	<u>6</u>	<u>204,340</u>	<u>7</u>
Total non-operating income and expenses	<u>219,726</u>	<u>7</u>	<u>210,920</u>	<u>7</u>
PROFIT BEFORE INCOME TAX	607,777	18	501,754	16
INCOME TAX EXPENSE (Notes 4 and 24)	<u>117,868</u>	<u>4</u>	<u>71,764</u>	<u>2</u>
NET PROFIT FOR THE YEAR	<u>489,909</u>	<u>14</u>	<u>429,990</u>	<u>14</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 20, 21 and 24)				

(Continued)

Taiwan Hopax Chemicals Manufacturing Co., Ltd.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	\$ 18,217	-	\$ 11,203	-
Unrealized loss on investments in equity instruments at FVTOCI	(12,541)	-	(421)	-
Share of other comprehensive (loss) income of subsidiaries for using the equity method	(7,794)	-	23,164	1
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>(2,643)</u>	<u>-</u>	<u>(7,900)</u>	<u>-</u>
	<u>(4,761)</u>	<u>-</u>	<u>26,046</u>	<u>1</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	10,651	-	(1,238)	-
Share of other comprehensive income (loss) of subsidiaries for using the equity method	84,228	3	(43,556)	(2)
Income tax relating to items that may be reclassified subsequently to profit or loss	<u>(4,115)</u>	<u>-</u>	<u>(3,688)</u>	<u>-</u>
	<u>90,764</u>	<u>3</u>	<u>(48,482)</u>	<u>(2)</u>
Other comprehensive income (loss) for the year, net of income tax	<u>86,003</u>	<u>3</u>	<u>(22,436)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 575,912</u>	<u>17</u>	<u>\$ 407,554</u>	<u>13</u>
EARNINGS PER SHARE (Note 25)				
Basic	<u>\$ 2.71</u>		<u>\$ 2.48</u>	
Diluted	<u>\$ 2.60</u>		<u>\$ 2.42</u>	

The accompanying notes are an integral part of the parent company only financial statements.

(Concluded)

Taiwan Hopax Chemicals Manufacturing Co., Ltd.

**PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)**

	Ordinary Shares	Capital Surplus	Retained Earnings			Other Equity		Total	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operation	Unrealized Loss on Financial Assets at FVTOCI		
BALANCE AT JANUARY 1, 2023	\$ 1,734,903	\$ 627,972	\$ 357,664	\$ 328,708	\$ 830,021	\$ (275,842)	\$ (40,354)	\$ (316,196)	\$ 3,563,072
Appropriation of 2022 earnings (Note 21)									
Legal reserve	-	-	60,920	-	(60,920)	-	-	-	-
Special reserve reversed	-	-	-	(12,512)	12,512	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(239,416)	-	-	-	(239,416)
	-	-	60,920	(12,512)	(287,824)	-	-	-	(239,416)
Net profit for the year ended December 31, 2023	-	-	-	-	429,990	-	-	-	429,990
Other comprehensive loss for the year ended December 31, 2023, net of income tax	-	-	-	-	13,511	(48,482)	12,535	(35,947)	(22,436)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	443,501	(48,482)	12,535	(35,947)	407,554
BALANCE AT DECEMBER 31, 2023	1,734,903	627,972	418,584	316,196	985,698	(324,324)	(27,819)	(352,143)	3,731,210
Appropriation of 2023 earnings (Note 21)									
Legal reserve	-	-	44,350	-	(44,350)	-	-	-	-
Special reserve	-	-	-	35,947	(35,947)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(216,863)	-	-	-	(216,863)
	-	-	44,350	35,947	(297,160)	-	-	-	(216,863)
Equity component of convertible bonds (Note 16)	-	104,769	-	-	-	-	-	-	104,769
Net profit for the year ended December 31, 2024	-	-	-	-	489,909	-	-	-	489,909
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	15,332	90,764	(20,093)	70,671	86,003
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	505,241	90,764	(20,093)	70,671	575,912
Issuance of ordinary shares for cash (Note 21)	260,000	569,500	-	-	-	-	-	-	829,500
Share-based payments (Note 26)	-	20,460	-	-	-	-	-	-	20,460
BALANCE AT DECEMBER 31, 2024	\$ 1,994,903	\$ 1,322,701	\$ 462,934	\$ 352,143	\$ 1,193,779	\$ (233,560)	\$ (47,912)	\$ (281,472)	\$ 5,044,988

The accompanying notes are an integral part of the parent company only financial statements.

Taiwan Hopax Chemicals Manufacturing Co., Ltd.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 607,777	\$ 501,754
Adjustments for:		
Depreciation expense	132,964	134,541
Amortization expense	1,502	1,819
Expected credit loss recognized (reversed)	734	(1,412)
Net loss on FV changes of financial assets and liabilities at FVTPL	19,060	16,257
Finance costs	22,609	26,847
Interest income	(4,419)	(3,316)
Compensation cost of employee share options	19,311	-
Share of profit of subsidiaries	(203,585)	(204,340)
Loss on disposal of property, plant and equipment, net	1,242	176
Write-down (reversal of) of inventories	(8,977)	3,754
Unrealized (realized) gain on transactions with subsidiaries	10,712	(1,690)
Other non-cash items	(7)	(746)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at FVTPL	12,059	5,283
Notes receivable	1,627	(1,154)
Accounts receivable	(136,823)	174,413
Accounts receivable - related parties	(60,811)	43,054
Other receivables	(1,143)	4,099
Other receivables - related parties	(415)	(333)
Inventories	(107,739)	127,944
Prepayments	6,527	4,448
Other current assets	(813)	758
Financial liabilities held for trading	(26,258)	(25,676)
Contract liabilities	(1,826)	(5,866)
Accounts payable	(15,754)	(22,371)
Accounts payable - related parties	33,347	(37,400)
Other payables	12,693	(17,995)
Other current liabilities	(2,180)	(880)
Net defined benefit liabilities	(1,761)	208
Cash generated from operations	309,653	722,176
Interest received	4,419	3,316
Interest paid	(15,444)	(23,413)
Income tax paid	(119,280)	(48,101)
Net cash generated from operating activities	179,348	653,978
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investments accounted for using the equity method	(40,000)	(40,000)
Payments for property, plant and equipment	(115,539)	(129,245)
Acquisition of investment properties	(995)	-
Proceeds from disposal of property, plant and equipment	8,704	86
Decrease in other receivables - related parties	-	16,320

(Continued)

Taiwan Hopax Chemicals Manufacturing Co., Ltd.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
Increase in refundable deposits	\$ (14,349)	\$ 123
Increase in other noncurrent assets	(2,126)	-
Dividend received from subsidiaries	<u>216,928</u>	<u>128,795</u>
Net cash generated from (used in) investing activities	<u>52,623</u>	<u>(23,921)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	270,000	-
Decrease in short-term borrowings	-	(168,088)
Proceeds from issuance of convertible bonds	574,807	-
Repayment of bonds payable	(284,000)	-
Increase in long-term borrowings	130,000	470,000
Repayment of long-term borrowings	(755,000)	(645,000)
Increase (decrease) in guarantee deposits received	322	(567)
Repayment of the principal portion of lease liabilities	(4,137)	(3,191)
Distribution of cash dividends	(216,863)	(239,416)
Proceeds from issuance of ordinary shares	<u>829,500</u>	<u>-</u>
Net cash generated from (used in) financing activities	<u>544,629</u>	<u>(586,262)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	776,600	43,795
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>158,456</u>	<u>114,661</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 935,056</u>	<u>\$ 158,456</u>

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

DECLARATION OF CONSOLIDATED FINANCIAL STATEMENTS OF AFFILIATES

The entities that are required to be included in the consolidated financial statements of affiliates of Taiwan Hopax Chemicals Mfg. Co., Ltd. for the year ended December 31, 2024 under the “Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those included in the consolidated financial statements of parent and subsidiary companies prepared in conformity with International Financial Reporting Standard 10, “Consolidated Financial Statements”. In addition, relevant information required to be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Consequently, Taiwan Hopax Chemicals Mfg. Co., Ltd. and its subsidiaries did not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

Taiwan Hopax Chemicals Mfg. Co., Ltd.

By

Tsung-Tien Kuo
Chairman

March 13, 2025

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Taiwan Hopax Chemicals Mfg. Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Taiwan Hopax Chemicals Mfg. Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2024 is as follows:

Occurrence of revenue

The main source of revenue of the Company comes from sales of specialty chemicals, fine chemicals, stick'N, and the growth rate of sales revenue from specific customers with significant sales amounts is significantly higher. Under Standards on Auditing, revenue has a presumed significant risk of fraud, therefore, we deemed the occurrence of revenue from these specific customers a key audit matter.

In response to the specific matter described above, we have carried out audit procedures, including:

1. We obtained an understanding of and tested the effectiveness of the controls over the authenticity of recognized revenue.
2. We obtained detailed information on the sales revenue of specific customers, selected appropriate samples, checked shipping documents or bill of lading, etc. and checked whether the amount and object of payment were consistent with the object of sales to confirm that revenue had actually occurred.

Other Matter

We have also audited the parent company only financial statements of the Company as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the FSC, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chiu-Yen Wu and Kai-Ning Hsu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 13, 2025

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, consolidated financial performance and consolidated cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

Taiwan Hopax Chemicals Manufacturing Co., Ltd. and Subsidiaries

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2024		December 31, 2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 1,611,497	22	\$ 641,038	11
Financial assets at FVTPL - current (Notes 4, 7 and 29)	346	-	4,725	-
Financial assets at amortized cost - current (Notes 4, 8 and 31)	33,844	-	57,890	1
Notes receivable (Notes 4, 10, 23 and 31)	152,796	2	156,076	3
Accounts receivable, net (Notes 4, 10 and 23)	957,440	13	799,098	13
Other receivables	12,221	-	10,308	-
Current tax assets (Notes 4 and 25)	12	-	6	-
Inventories (Notes 4 and 11)	1,382,283	19	1,280,996	21
Prepayments	34,636	1	39,549	1
Other current assets	<u>25,517</u>	<u>-</u>	<u>24,982</u>	<u>-</u>
Total current assets	<u>4,210,592</u>	<u>57</u>	<u>3,014,668</u>	<u>50</u>
NONCURRENT ASSETS				
Financial assets at FVTOCI - noncurrent (Notes 4, 9 and 29)	91,974	1	92,491	2
Property, plant and equipment (Notes 4, 13, 31 and 32)	2,696,384	37	2,666,512	44
Right-of-use assets (Notes 4 and 14)	107,101	2	110,701	2
Investment properties (Notes 4 and 15)	8,900	-	8,356	-
Deferred tax assets (Notes 4 and 25)	133,800	2	143,084	2
Prepayments for equipment	34,271	1	12,842	-
Refundable deposits	22,741	-	7,897	-
Other noncurrent assets	<u>21,507</u>	<u>-</u>	<u>22,600</u>	<u>-</u>
Total noncurrent assets	<u>3,116,678</u>	<u>43</u>	<u>3,064,483</u>	<u>50</u>
TOTAL	<u>\$ 7,327,270</u>	<u>100</u>	<u>\$ 6,079,151</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 16)	\$ 704,880	10	\$ 375,000	6
Financial liabilities at FVTPL- current (Notes 4, 7 and 29)	8,123	-	304	-
Contract liabilities (Notes 4 and 23)	44,134	1	53,154	1
Notes payable (Note 18)	151,318	2	156,020	3
Accounts payable (Note 18)	250,272	3	263,751	4
Other payables (Note 19)	351,000	5	317,525	5
Current tax liabilities (Notes 4 and 25)	70,529	1	82,223	1
Lease liabilities - current (Notes 4 and 14)	3,805	-	4,317	-
Current portion of long-term borrowings (Notes 16 and 31)	-	-	416,667	7
Current portion of corporate bonds payable (Notes 4 and 17)	-	-	280,311	5
Other current liabilities	<u>4,535</u>	<u>-</u>	<u>11,342</u>	<u>-</u>
Total current liabilities	<u>1,588,596</u>	<u>22</u>	<u>1,960,614</u>	<u>32</u>
NONCURRENT LIABILITIES				
Bonds payables (Note 17)	474,244	6	-	-
Long-term borrowings (Notes 16 and 31)	53,718	1	208,333	4
Provisions - noncurrent (Notes 4 and 20)	4,788	-	4,789	-
Deferred tax liabilities (Notes 4 and 25)	106,567	1	98,734	2
Lease liabilities - noncurrent (Notes 4 and 14)	7,333	-	10,723	-
Net defined benefit liabilities (Notes 4 and 21)	46,030	1	63,998	1
Guarantee deposits received	<u>1,006</u>	<u>-</u>	<u>750</u>	<u>-</u>
Total noncurrent liabilities	<u>693,686</u>	<u>9</u>	<u>387,327</u>	<u>7</u>
Total liabilities	<u>2,282,282</u>	<u>31</u>	<u>2,347,941</u>	<u>39</u>
EQUITY (Note 22)				
Ordinary shares	<u>1,994,903</u>	<u>27</u>	<u>1,734,903</u>	<u>29</u>
Capital surplus	<u>1,322,701</u>	<u>18</u>	<u>627,972</u>	<u>10</u>
Retained earnings				
Legal reserve	462,934	7	418,584	7
Special reserve	352,143	5	316,196	5
Unappropriated earnings	<u>1,193,779</u>	<u>16</u>	<u>985,698</u>	<u>16</u>
Total retained earnings	<u>2,008,856</u>	<u>28</u>	<u>1,720,478</u>	<u>28</u>
	(4)		(6)	
Other equity	(281,472)	)	(352,143)	)
Total equity	<u>5,044,988</u>	<u>69</u>	<u>3,731,210</u>	<u>61</u>
TOTAL	<u>\$ 7,327,270</u>	<u>100</u>	<u>\$ 6,079,151</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

Taiwan Hopax Chemicals Manufacturing Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4 and 23)	\$ 4,745,793	100	\$ 4,521,236	100
OPERATING COSTS (Notes 11, 21 and 24)	<u>3,295,158</u>	<u>69</u>	<u>3,262,934</u>	<u>72</u>
GROSS PROFIT	<u>1,450,635</u>	<u>31</u>	<u>1,258,302</u>	<u>28</u>
OPERATING EXPENSES (Notes 10, 21 and 24)				
Selling and marketing	363,619	8	317,050	7
General and administrative	254,596	5	245,126	5
Research and development	168,451	4	156,850	4
Expected credit loss (gain recognized)	<u>4,392</u>	<u>-</u>	<u>(1,523)</u>	<u>-</u>
Total operating expenses	<u>791,058</u>	<u>17</u>	<u>717,503</u>	<u>16</u>
PROFIT FROM OPERATIONS	<u>659,577</u>	<u>14</u>	<u>540,799</u>	<u>12</u>
NON-OPERATING INCOME AND EXPENSES (Note 24)				
Interest income	14,079	-	7,329	-
Other income	17,319	-	21,267	1
Other gains and losses	7,312	-	(3,991)	-
Finance costs	<u>(23,151)</u>	<u>-</u>	<u>(31,172)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>15,559</u>	<u>-</u>	<u>(6,567)</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	675,136	14	534,232	12
INCOME TAX EXPENSE (Notes 4 and 25)	<u>185,227</u>	<u>4</u>	<u>104,242</u>	<u>2</u>
NET PROFIT FOR THE YEAR	<u>489,909</u>	<u>10</u>	<u>429,990</u>	<u>10</u>
OTHER COMPREHENSIVE (LOSS) INCOME (Notes 4, 21, 22 and 25)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	19,189	-	15,603	-
Unrealized (loss) gain on investments in equity instruments at FVTOCI	(21,093)	-	19,311	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>(2,857)</u>	<u>-</u>	<u>(8,868)</u>	<u>-</u>
	<u>(4,761)</u>	<u>-</u>	<u>26,046</u>	<u>-</u>

(Continued)

Taiwan Hopax Chemicals Manufacturing Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	\$ 94,879	2	\$ (44,794)	(1)
Income tax relating to items that may be reclassified subsequently to profit or loss	(4,115)	-	(3,688)	-
	<u>90,764</u>	<u>2</u>	<u>(48,482)</u>	<u>(1)</u>
Other comprehensive income (loss) for the year, net of income tax	<u>86,003</u>	<u>2</u>	<u>(22,436)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 575,912</u>	<u>12</u>	<u>\$ 407,554</u>	<u>9</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	<u>\$ 489,909</u>	<u>10</u>	<u>\$ 429,990</u>	<u>10</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	<u>\$ 575,912</u>	<u>12</u>	<u>\$ 407,554</u>	<u>9</u>
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 2.71</u>		<u>\$ 2.48</u>	
Diluted	<u>\$ 2.60</u>		<u>\$ 2.42</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

Taiwan Hopax Chemicals Manufacturing Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	Ordinary Shares	Capital Surplus	Retained Earnings			Other Equity		Total	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operation	Unrealized (Loss) Profit on Financial Assets at FVTOCI		
BALANCE AT JANUARY 1, 2023	\$ 1,734,903	\$ 627,972	\$ 357,664	\$ 328,708	\$ 830,021	\$ (275,842)	\$ (40,354)	\$ (316,196)	\$ 3,563,072
Appropriation of 2022 earnings (Note 22)									
Legal reserve	-	-	60,920	-	(60,920)	-	-	-	-
Special reserve reversed	-	-	-	(12,512)	12,512	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(239,416)	-	-	-	(239,416)
	-	-	60,920	(12,512)	(287,824)	-	-	-	(239,416)
Net profit for the year ended December 31, 2023	-	-	-	-	429,990	-	-	-	429,990
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	12,394	(48,482)	13,652	(34,830)	(22,436)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	442,384	(48,482)	13,652	(34,830)	407,554
Disposal of financial assets designated as at fair value through other comprehensive income	-	-	-	-	1,117	-	(1,117)	(1,117)	-
BALANCE AT DECEMBER 31, 2023	1,734,903	627,972	418,584	316,196	985,698	(324,324)	(27,819)	(352,143)	3,731,210
Appropriation of 2023 earnings (Note 22)									
Legal reserve	-	-	44,350	-	(44,350)	-	-	-	-
Special reserve	-	-	-	35,947	(35,947)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(216,863)	-	-	-	(216,863)
	-	-	44,350	35,947	(297,160)	-	-	-	(216,863)
Equity component of convertible bonds (Note 17)	-	104,769	-	-	-	-	-	-	104,769
Net profit for the year ended December 31, 2024	-	-	-	-	489,909	-	-	-	489,909
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	15,332	90,764	(20,093)	70,671	86,003
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	505,241	90,764	(20,093)	70,671	575,912
Issuance of ordinary shares for cash (Note 22)	260,000	569,500	-	-	-	-	-	-	829,500
Share-based payment (Note 27)	-	20,460	-	-	-	-	-	-	20,460
BALANCE AT DECEMBER 31, 2024	\$ 1,994,903	\$ 1,322,701	\$ 462,934	\$ 352,143	\$ 1,193,779	\$ (233,560)	\$ (47,912)	\$ (281,472)	\$ 5,044,988

The accompanying notes are an integral part of the consolidated financial statements.

Taiwan Hopax Chemicals Manufacturing Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 675,136	\$ 534,232
Adjustments for:		
Depreciation expense	291,287	296,208
Amortization expense	6,833	7,467
Reversal of expected credit loss (gain recognized)	4,392	(1,523)
Net loss on FV changes of financial assets and liabilities at FVTPL	29,563	22,788
Finance costs	23,151	31,172
Interest income	(14,079)	(7,329)
Dividend income	(2,943)	(2,354)
Compensation cost arising from employee share options	20,460	-
Loss on disposal of property, plant and equipment, net	6,837	3,354
Write-down (reversal) of inventories	(7,956)	4,145
Other non-cash items	(7)	(746)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at FVTPL	16,606	11,902
Notes receivable	(224)	125,222
Accounts receivable	(159,575)	226,348
Other receivables	(1,761)	21,455
Inventories	(93,797)	217,283
Prepayments	4,913	23,921
Other current assets	(535)	(323)
Financial liabilities held for trading	(34,916)	(39,079)
Contract liabilities	(9,020)	(8,367)
Notes payable	(15,051)	(96,935)
Accounts payable	(13,479)	(75,369)
Other payables	14,771	(20,979)
Other current liabilities	(6,807)	(1,518)
Net defined benefit liabilities	1,221	2,764
Cash generated from operations	735,020	1,273,739
Interest received	13,927	7,329
Interest paid	(16,569)	(29,252)
Income tax paid	(186,317)	(98,350)
Net cash generated from operating activities	<u>546,061</u>	<u>1,153,466</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at FVTOCI	(20,576)	(14,893)
Proceeds from sale of financial assets at FVTOCI	-	5,949
Decrease in financial assets at amortized cost	24,046	28,551
Payments for property, plant and equipment	(278,012)	(270,763)
Proceeds from disposal of property, plant and equipment	9,519	961
Increase in refundable deposits	(14,844)	-
Decrease in refundable deposits	-	70
Payments for investment properties	(995)	-

(Continued)

Taiwan Hopax Chemicals Manufacturing Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

	2024	2023
Acquisition of right-of-use assets	\$ (1,077)	\$ (1,482)
Increase in other noncurrent assets	(5,740)	(5,110)
Dividends received	<u>2,943</u>	<u>2,354</u>
Net cash used in investing activities	<u>(284,736)</u>	<u>(254,363)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	329,880	-
Decrease in short-term borrowings	-	(212,008)
Proceeds from issuance of convertible bonds	574,807	-
Repayment of bonds payable	(284,000)	-
Increase in long-term borrowings	183,718	470,000
Repayment of long-term borrowings	(755,000)	(798,525)
Decrease in guarantee deposits received	256	(536)
Repayment of the principal portion of lease liabilities	(4,357)	(3,482)
Distribution of cash dividends	(216,863)	(239,416)
Proceeds from issuance of ordinary shares	<u>829,500</u>	<u>-</u>
Net cash generated from/(used in) financing activities	<u>657,941</u>	<u>(783,967)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>51,193</u>	<u>(22,421)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	970,459	92,715
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>641,038</u>	<u>548,323</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,611,497</u>	<u>\$ 641,038</u>

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

Taiwan Hopax Chems. Mfg. Co., Ltd.

Audit Committee's Audit Report

The Board of Directors has prepared and submitted the 2024 Business Report, financial statements (including consolidated and individual financial statements), and earnings distribution proposal, of which the financial statements have been audited by the CPAs Chiu-Yen Wu and Kai-Ning Hsu of Deloitte Taiwan, who issued an unqualified opinion in the Audit Report. The Audit Committee has reviewed the aforementioned business report, financial statements, and earnings distribution proposal and did not find any instances of noncompliance. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, it is hereby submitted for your review and perusal.

To:

2025 annual shareholders' meeting of Taiwan Hopax Chems. Mfg. Co., Ltd.

Taiwan Hopax Chems. Mfg. Co., Ltd.

Audit Committee convener: Li -Chiu Chang

March 13, 2025

Taiwan Hopax Chems. Mfg. Co., Ltd.
Remuneration to Ordinary Directors and Independent Directors
2024

December 31, 2024

Unit: NT\$ thousand

Job title	Name	Directors' remuneration								Ratio of total compensation (A+B+C+D) to net profit after tax		Remuneration for part-time employees								Ratio of total compensation (A+B+C+D+E+F+G) to net profit after tax		Compensation from investments other than subsidiaries or parent company
		Remuneration (A)		Severance pay and pension (B)		Director's remuneration (C) (Note 1)		Business expenses (D)				Salary, bonuses, and allowances (E)		Severance pay and pension (F) (Note 2)		Employee remuneration (G) (Note 1)						
		The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company		All companies in the financial report		The Company	All companies in the financial report	
																Cash value	Share value	Cash value	Share value			
Chairman	Tsung-Tien Kuo	0	0	0	0	1,307	1,307	70	70	1,377	1,377	7,628	7,628	361	361	2,381	0	2,381	0	11,747	11,747	None
Vice Chairman	Mei-Lin Kuo	0	0	0	0	846	846	50	50	896	896	2,855	2,855	90	90	463	0	463	0	4,304	4,304	None
Director	John-See Lee	0	0	0	0	923	923	70	70	933	933	0	0	0	0	0	0	0	0	993	993	None
Director	Representative of Joray Co., Ltd.: Chi-Rong Huang	0	0	0	0	1,077	1,077	70	70	1,147	1,147	0	0	0	0	0	0	0	0	1,147	1,147	None
Director	Chung-Sheng Cheng	0	0	0	0	154	154	50	50	204	204	4,092	4,092	108	108	230	0	230	0	4,634	4,634	None
Independent Director	Li -Chiu Char	840	840	0	0	0	0	130	130	970	970	0	0	0	0	0	0	0	0	970	970	None
Independent Director	Jen-Chyuan Lin	900	900	0	0	0	0	150	150	1,050	1,050	0	0	0	0	0	0	0	0	1,050	1,050	None
Independent Director	Hsieng-Cheng Tseng	900	900	0	0	0	0	150	150	1,050	1,050	0	0	0	0	0	0	0	0	1,050	1,050	None
Independent Director	Guan-Hua Huang	780	780	0	0	0	0	100	100	880	880	0	0	0	0	0	0	0	0	880	880	None
1. Please describe the policy, system, standards and structure of the remuneration packages of the Independent Directors and explain the relevance of the amount of remuneration paid to them based on factors such as responsibility, risk and time commitment: The compensation for Independent Directors of the Company includes fixed remuneration and transportation expenses. The fixed remuneration is paid quarterly in accordance with the "Regulations Governing the Remuneration of Directors and Members of Functional Committees". The transportation expenses are paid each time Directors attend a meeting of the Board of Directors or functional committee in person. Please refer to other chapters of the Annual Report for more information. 2. Except as disclosed above, remuneration received by directors in the latest year for services (e.g., acting as a non-employee consultant of the parent company/any company in the financial statements/investee) provided by the directors: None.																						

[Attachment VI]

Taiwan Hopax Chems. Mfg. Co., Ltd.
2024 Earnings Distribution Statement

Unit: NT\$

Item	Amount
Opening undistributed earnings	688,538,653
Plus: Disposal of investments in equity instruments measured at fair value through other comprehensive gain and loss with accumulated profit or loss transferred directly to retained earnings	0
Plus: Remeasurement of defined benefit plan converted into retained earnings	15,331,616
Adjusted undistributed earnings	703,870,269
Plus: After-tax net profit of the current period	489,909,403
Minus: Provision for legal reserve	(50,524,102)
Plus: Reverse for special surplus reserve (Note 1)	70,670,490
Retained earnings available for distribution for this period	1,213,926,060
Distribution items (calculated based on 199,490,326 shares outstanding as of the end of February 2025)	(259,337,424)
Shareholder dividends - cash (NT\$1.3 per share)	
Undistributed earnings after distribution	954,588,636

Note 1: According to Issue no. Financial-Supervisory-Securities-Corporate-1090150022 dated March 31, 2021, where there is a reduction in shareholders' equity for the current year, a special reserve of the same amount must be appropriated from the net income after taxes of the current period plus the amount of the undistributed earnings in the current period. If there is a subsequent reversal of the reduction in shareholders' equity, the reversal may be distributed to the shareholders as earnings.

Note 2: The order of distribution of earnings shall prioritize the distribution of earnings for the current year. Any shortfall shall be supplemented by the undistributed earnings of the previous period.

Note 3: All earnings shall be distributed in cash. The total number of fractional amounts below NT\$1 as a result of the distribution of shareholder bonuses shall be recognized as the Company's miscellaneous income.

Chairman: Tsung-Tien Kuo

Manager: Tsung-Tien Kuo

Accounting Supervisor: Wen-Hui Yu

[Attachment VII]

Taiwan Hopax Chems. Mfg. Co., Ltd.

Report on the Company's sixth issue of domestic unsecured convertible corporate bonds

April 21, 2025

Type of corporate bond		Sixth issue of domestic unsecured convertible corporate bonds
Date		July 3, 2024
Face value		NT\$100,000.
Place of issuance and trading		Domestic issuance and listing on Taipei Exchange
Issue price		Issued at 115.46% of face value
Total amount		NT\$500,000,000
Interest rate		Coupon rate: 0%
Duration		3 years (2024/7/3~2027/7/3)
Guarantee institution		None
Trustee		Taishin International Bank Co., Ltd.
Underwriting institution		KGI Securities Co., Ltd.
Certifying attorney		Yi-Cheng Peng, Attorney at Law
Certifying CPAs		Deloitte Taiwan CPAs Chiu-Yen Wu and Kai-Ning Hsu
Repayment method		Except for conversion or early redemption by the Company, early resale by the creditor, or cancellation by the Company, the bonds shall be repaid in cash at face value upon maturity.
Outstanding principal		NT\$500,000,000
Terms of redemption or early repayment		(I) From the day after three months have elapsed from the issuance of convertible corporate bonds till the 40 days prior to the expiry of the issuance period, if the closing price of the Company's regular stocks has exceeded 30% (inclusive) of the convertible price for 30 consecutive business days, or if the total amount of outstanding corporate bonds is lower than 10% of the original face value at issuance, the Company may exercise its right to repurchase the convertible bonds. (II) Two years after the issuance of the convertible corporate bonds, the bond holder may sell the convertible corporate bonds before the expiry.
Restrictive clauses		None
The credit rating institution's name, date of rating, and corporate bond rating results		None
Other rights attached	Amount converted to ordinary (exchange or subscription) shares, global depository receipts, or other marketable securities as of the date of this annual report	Yet to be converted

	Issuance and conversion (exchange or subscription) method	Please refer to the corporate bond issuance information disclosed in the Bonds section in the Market Observation Post System
	Issuance and conversion, exchange or subscription methods, and the condition of issuance that may dilute share equity and affect equity rights for the existing shareholders	Assuming that all the creditors of the convertible bonds request conversion at the current conversion price of NT\$39.2, the cumulative conversion will create 12,755,102 common shares, which will result in a maximum dilution ratio of approximately 6.39% for the 199,490,326 shares held by the existing shareholders. The dilution effect would remain limited.
	Name of the commissioned custodian institution for the exchange bid	None

[Attachment VIII]

Taiwan Hopax Chems. Mfg. Co., Ltd.

Report on the Implementation Status of the Company's Share Buyback

Share Buyback frequency	The eighth buyback
Date of Board Resolution	2025/4/11
Purpose for share buyback	To enhance the credit of the Company and the rights of stockholders
Buyback period	2025/4/15~2025/6/10
Type and number of shares buyback	2,947,000 shares of common stock
Total amount of shares for buyback	NT\$97,677,983
Average buyback price per share	NT\$33.14
The purchased shares as a percentage of the planned buyback (%)	98.23%
Retired and transferred shares	The cancellation registration has not been processed.
Accumulated holdings of the Company's shares	2,947,000 shares
Accumulated holdings of the Company's shares as a percentage of the issued shares (%)	1.48%

Taiwan Hopax Chems. Mfg. Co., Ltd.

Comparison table of the revised “Ethical Corporate Management Best Practice Principles”

Amended Article	Current Article	Explanation of the Amendment
Article 2 (Prohibition of unethical conduct) The Company's directors, managers, employees, appointees, or persons with substantial control (hereinafter referred to as "Substantial Controllers"), in the process of engaging in business, may not directly or indirectly offer, promise to offer, request, or accept any improper benefits, nor commit unethical acts, including breach of ethics, illegal acts, or breach of fiduciary duty, for the purposes of acquiring or maintaining benefits (hereinafter referred to as "Unethical Conduct"). The counterparties to the conduct in the preceding paragraph include public officials, political candidates, political parties or their staffs, and government-owned or private-owned enterprises or institutions and their directors (trustees), supervisors, managers, employees, persons with substantial control, or other interested parties.	Article 2 (Prohibition of unethical conduct) The Company's directors, <u>supervisors</u>, managers, employees, appointees, or persons with substantial control (hereinafter referred to as "Substantial Controllers"), in the process of engaging in business, may not directly or indirectly offer, promise to offer, request, or accept any improper benefits, nor commit unethical acts, including breach of ethics, illegal acts, or breach of fiduciary duty, for the purposes of acquiring or maintaining benefits (hereinafter referred to as "Unethical Conduct"). The counterparties to the conduct in the preceding paragraph include public officials, political candidates, political parties or their staffs, and government-owned or private-owned enterprises or institutions and their directors (trustees), supervisors, managers, employees, persons with substantial control, or other interested parties.	The Company has established an Audit Committee to replace supervisors, so the word "supervisor" was deleted.

Amended Article	Current Article	Explanation of the Amendment
Article 10 (Prohibition on offering and acceptance of bribes) The Company, along with its directors, managers, employees, appointees, and Substantial Controllers, may not, in the course of conducting business, directly or indirectly offer, promise to offer, request, or accept improper benefits of any type from or to customers, agents, contractors, suppliers, public officials, or other interested parties.	Article 10 (Prohibition on offering and acceptance of bribes) The Company, along with its directors, <u>supervisors</u>, managers, employees, appointees, and Substantial Controllers, may not, in the course of conducting business, directly or indirectly offer, promise to offer, request, or accept improper benefits of any type from or to customers, agents, contractors, suppliers, public officials, or other interested parties.	The Company has established an Audit Committee to replace supervisors, so the word "supervisor" was deleted.
Article 11 (Prohibition on providing illegal political donations) When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the Company, along with its directors, managers, employees, appointees, and Substantial Controllers, shall comply with the Political Donations Act and its own relevant internal operating procedures, and may not make such donations in exchange for commercial gains or business advantages.	Article 11 (Prohibition on providing illegal political donations) When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the Company, along with its directors, <u>supervisors</u>, managers, employees, appointees, and Substantial Controllers, shall comply with the Political Donations Act and its own relevant internal operating procedures, and may not make such donations in exchange for commercial gains or business advantages.	The Company has established an Audit Committee to replace supervisors, so the word "supervisor" was deleted.

Amended Article	Current Article	Explanation of the Amendment
Article 12 (Prohibition on improper charitable donations or sponsorships) When making or offering donations and sponsorships, the Company, along with its directors, managers, employees, appointees, and Substantial Controllers, shall comply with relevant laws and regulations and internal operating procedures, and may not surreptitiously engage in bribery.	Article 12 (Prohibition on improper charitable donations or sponsorships) When making or offering donations and sponsorships, the Company, along with its directors, <u>supervisors</u>, managers, employees, appointees, and Substantial Controllers, shall comply with relevant laws and regulations and internal operating procedures, and may not surreptitiously engage in bribery.	The Company has established an Audit Committee to replace supervisors, so the word "supervisor" was deleted.
Article 13 (Prohibition against unreasonable gifts, hospitality, or other improper benefits) The Company, along with its directors, managers, employees, appointees, and Substantial Controllers, shall not directly or indirectly offer or accept any unreasonable gifts, hospitality, or other improper benefits to establish business relationships or influence commercial transactions.	Article 13 (Prohibition against unreasonable gifts, hospitality, or other improper benefits) The Company, along with its directors, <u>supervisors</u>, managers, employees, appointees, and Substantial Controllers, shall not directly or indirectly offer or accept any unreasonable gifts, hospitality, or other improper benefits to establish business relationships or influence commercial transactions.	The Company has established an Audit Committee to replace supervisors, so the word "supervisor" was deleted.

Amended Article	Current Article	Explanation of the Amendment
Article 14 (Prohibition on intellectual property rights infringement) The Company, along with its directors, managers, employees, appointees, and Substantial Controllers, shall comply with intellectual property-related laws and regulations, internal operating procedures, and contractual provisions. Without the consent of the intellectual property rights owner, they may not use, disclose, dispose of, damage, or engage in any other acts that infringe upon intellectual property rights.	Article 14 (Prohibition on intellectual property rights infringement) The Company, along with its directors, managers, <u>supervisors</u>, employees, appointees, and Substantial Controllers, shall comply with intellectual property-related laws and regulations, internal operating procedures, and contractual provisions. Without the consent of the intellectual property rights owner, they may not use, disclose, dispose of, damage, or engage in any other acts that infringe upon intellectual property rights.	The Company has established an Audit Committee to replace supervisors, so the word "supervisor" was deleted.
Article 16 (Prevention of product or service harm to interested parties) The Company, along with its directors, managers, employees, appointees, and Substantial Controllers, shall comply with relevant laws and international standards in the research, procurement, manufacturing, provision, and sale of products and services, in order to prevent products or services from directly or indirectly harming the rights, health, and safety	Article 16 (Prevention of product or service harm to interested parties) The Company, along with its directors, managers, <u>supervisors</u>, employees, appointees, and Substantial Controllers, shall comply with relevant laws and international standards in the research, procurement, manufacturing, provision, and sale of products and services, in order to prevent products or services from directly or indirectly harming the	The Company has established an Audit Committee to replace supervisors, so the word "supervisor" was deleted.

Amended Article	Current Article	Explanation of the Amendment
of consumers or other interested parties. If there is factual evidence indicating that a product or service may pose a risk to the safety and health of consumers or other interested parties, the Company shall, in principle, immediately recall the affected products or cease the provision of such services.	rights, health, and safety of consumers or other interested parties. If there is factual evidence indicating that a product or service may pose a risk to the safety and health of consumers or other interested parties, the Company shall, in principle, immediately recall the affected products or cease the provision of such services.	
<u>Article 17 (Anti-money laundering and combating the financing of terrorism; AML/CFT)</u> <u>The Company, along with its directors, managers, employees, appointees, and Substantial Controllers, shall comply with relevant laws and regulations on AML/CFT, and are prohibited from engaging in illegal conduct.</u>	The newly added article	As international society attaches greater importance to anti-money laundering, this article was added to facilitate compliance by the Company's directors, managers, and employees, and to improve the Company's ethical corporate management culture.
<u>Article 18 (Prohibition of fraud)</u> <u>The Company, along with its directors, managers, employees, appointees, and Substantial Controllers shall not, with the intention of seeking illegal gains for themselves or a third party, engage in fraudulent activities, transmit false information, or mislead</u>	The newly added article	As the government attaches greater importance to fraud prevention, this article was added to facilitate compliance by the Company's directors, managers, and employees, and to improve the Company's ethical corporate management culture.

Amended Article	Current Article	Explanation of the Amendment
<u>others into making property dispositions.</u>		
<u>Article 19 (Prohibition against insider trading)</u> <u>The Company, along with its directors, managers, employees, appointees, and Substantial Controllers shall comply with the Securities and Exchange Act and related laws and regulations, and shall not use undisclosed information of the Company or its clients or any information that may significantly affect stock prices to engage in insider trading. The abovementioned information shall not be disclosed directly or indirectly to others to prevent others from using the information to engage in insider trading.</u> <u>The Company's directors, managers, employees, and appointees shall not trade the Company's stocks during the lock-up period of 30 days before the announcement of annual financial statements and 15 days before the announcement of quarterly financial statements after becoming aware of the Company's financial position and performance from the</u>	The newly added article	This article was added after referencing the contents on preventing insider trading set forth in Article 10 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Amended Article	Current Article	Explanation of the Amendment
<u>financial statements.</u>		
Article <u>20</u> (Organization and responsibilities) The Company's directors, managers, employees, appointees, and Substantial Controllers shall fulfill their duty of care as prudent administrators, overseeing the Company's efforts to prevent Unethical Conduct. They shall continuously review the effectiveness of implementation and make ongoing improvements to ensure the enforcement of the ethical corporate management policy. To strengthen ethical corporate management, the Company should appoint a dedicated unit to be responsible for formulating and supervising the implementation of the ethical corporate management policy and prevention plan, and regularly reporting to the Board of Directors.	Article <u>17</u> (Organization and responsibilities) The Company's directors, <u>supervisors</u>, managers, employees, appointees, and Substantial Controllers shall fulfill their duty of care as prudent administrators, overseeing the Company's efforts to prevent Unethical Conduct. They shall continuously review the effectiveness of implementation and make ongoing improvements to ensure the enforcement of the ethical corporate management policy. To strengthen ethical corporate management, the Company should appoint a dedicated unit to be responsible for formulating and supervising the implementation of the ethical corporate management policy and prevention plan, and regularly reporting to the Board of Directors.	1. The Company has established an Audit Committee to replace supervisors, so the word "supervisor" was deleted. 2. New Articles 17 to 19 were added, so the original article numbers are incremented accordingly.
Article <u>21</u> (Compliance of business operations) The Company's directors, managers, employees, appointees, and Substantial Controllers shall comply with laws, regulations, and the prevention plan	Article <u>18</u> (Compliance of business operations) The Company's directors, <u>supervisors</u>, managers, employees, appointees, and Substantial Controllers shall comply with laws, regulations, and the	1. The Company has established an Audit Committee to replace supervisors, so the word "supervisor" was deleted. 2. New Articles 17 to 19 were added, so

Amended Article	Current Article	Explanation of the Amendment
when conducting business operations.	prevention plan when conducting business operations.	the original article numbers are incremented accordingly.
Article <u>22</u> (Recusal from conflicts of interest) The Company shall establish a policy to prevent conflicts of interest, and provide appropriate channels for directors, managers, and other interested parties attending or present at board meetings to proactively disclose any potential conflicts of interest with the Company. The Company's directors, managers, and other interested parties attending or present at board meetings who have a conflict of interest regarding a board meeting agenda item, whether concerning themselves or the legal person they represent, should disclose the material aspects of their conflict of interest during that board meeting. If the matter may be detrimental to the Company's interests, they shall not participate in the discussion or voting on the issue. Furthermore, they must recuse themselves from both discussion and voting and may not act as a proxy to exercise	Article <u>19</u> (Recusal from conflicts of interest) The Company shall establish a policy to prevent conflicts of interest, and provide appropriate channels for directors, <u>supervisors</u>, managers, and other interested parties attending or present at board meetings to proactively disclose any potential conflicts of interest with the Company. The Company's directors, <u>supervisors</u>, managers, and other interested parties attending or present at board meetings who have a conflict of interest regarding a board meeting agenda item, whether concerning themselves or the legal person they represent, should disclose the material aspects of their conflict of interest during that board meeting. If the matter may be detrimental to the Company's interests, they shall not participate in the discussion or voting on the issue. Furthermore, they must recuse themselves from both	1. The Company has established an Audit Committee to replace supervisors, so the word "supervisor" was deleted. 2. New Articles 17 to 19 were added, so the original article numbers are incremented accordingly.

Amended Article	Current Article	Explanation of the Amendment
voting rights on behalf of other directors. The directors shall exercise self-discipline and may not support one another in improper dealings. The Company's directors, managers, employees, appointees, and Substantial Controllers may not use their positions or influence within the Company to obtain improper benefits for themselves, their spouses, parents, children, or any other individuals.	discussion and voting and may not act as a proxy to exercise voting rights on behalf of other directors. The directors shall exercise self-discipline and may not support one another in improper dealings. The Company's directors, <u>supervisors</u>, managers, employees, appointees, and Substantial Controllers may not use their positions or influence within the Company to obtain improper benefits for themselves, their spouses, parents, children, or any other individuals.	
Article <u>23</u> (Accounting and internal control) The Company shall establish an effective accounting system and internal control system for business activities with a higher risk of Unethical Conduct. It may not maintain under-the-table accounts or secret accounts and shall continuously review these systems to ensure their design and enforcement remain effective. The Company's internal audit unit shall regularly audit compliance with the systems in the preceding paragraph, and shall prepare audit reports for the Board of	Article <u>20</u> (Accounting and internal control) The Company shall establish an effective accounting system and internal control system for business activities with a higher risk of Unethical Conduct. It may not maintain under-the-table accounts or secret accounts and shall continuously review these systems to ensure their design and enforcement remain effective. The Company's Internal audit unit shall regularly audit compliance with the systems in the preceding paragraph,	New Articles 17 to 19 were added, so the original article numbers are incremented accordingly.

Amended Article	Current Article	Explanation of the Amendment
Directors. The internal audit unit may also appoint a certified public accountant to perform the audit and may seek assistance from professionals when necessary.	and shall prepare audit reports for the Board of Directors. The internal audit unit may also appoint a certified public accountant to perform the audit and may seek assistance from professionals when necessary.	
Article <u>24</u> (Operating procedures and code of conduct) The Company shall establish operating procedures and a code of conduct in accordance with Article 6, setting forth specific requirements that directors, managers, employees, and Substantial Controllers shall observe when conducting business. These guidelines shall include, at a minimum, the following: I. Criteria for determining the offering or acceptance of improper benefits. II. Procedures for handling lawful political donations. III. Procedures and monetary standards for making legitimate charitable donations or sponsorships. IV. Regulations for avoiding conflicts of interest related to job duties, as	Article <u>21</u> (Operating procedures and code of conduct) The Company shall establish operating procedures and a code of conduct in accordance with Article 6, setting forth specific requirements that directors, <u>supervisors</u>, managers, employees, and Substantial Controllers shall observe when conducting business. These guidelines shall include, at a minimum, the following: I. Criteria for determining the offering or acceptance of improper benefits. II. Procedures for handling lawful political donations. III. Procedures and monetary standards for making legitimate charitable donations or sponsorships. IV. Regulations for avoiding conflicts	1. The Company has established an Audit Committee to replace supervisors, so the word "supervisor" was deleted. 2. New Articles 17 to 19 were added, so the original article numbers are incremented accordingly.

Amended Article	Current Article	Explanation of the Amendment
well as reporting and handling procedures. V. Confidentiality regulations for trade secrets and commercially sensitive information obtained in the course of business. VI. Regulations and procedures for dealing with suppliers, customers, and trading counterparties involved in Unethical Conduct. VII. Procedures for addressing violations of the Ethical Corporate Management Best Practice Principles. VIII. Disciplinary measures for violators.	of interest related to job duties, as well as reporting and handling procedures. V. Confidentiality regulations for trade secrets and commercially sensitive information obtained in the course of business. VI. Regulations and procedures for dealing with suppliers, customers, and trading counterparties involved in Unethical Conduct. VII. Procedures for addressing violations of the Ethical Corporate Management Best Practice Principles. VIII. Disciplinary measures for violators.	
Article <u>25</u> (Education, training, and assessment) The Company's chairperson, president, or senior management should communicate the importance of integrity to directors, employees, and appointees when appropriate. The Company should organize training	Article <u>22</u> (Education, training, and assessment) The Company's chairperson, president, or senior management should communicate the importance of integrity to directors, employees, and appointees when appropriate. The Company should	1. The Company has established an Audit Committee to replace supervisors, so the word "supervisor" was deleted. 2. New Articles 17 to 19 were added, so the original article numbers are incremented

Amended Article	Current Article	Explanation of the Amendment
sessions, as well as awareness campaigns, for directors, managers, employees, appointees, and Substantial Controllers when appropriate. Counterparties engaging in commercial transactions with the Company shall also be invited to participate to ensure a thorough understanding of the Company's commitment to ethical corporate management, policies, prevention plan, and the consequences of engaging in Unethical Conduct. The Company shall integrate its ethical corporate management policy with employee performance assessments and human resource policies, establishing a clear and effective system of rewards and disciplinary measures.	organize training sessions, as well as awareness campaigns, for directors, <u>supervisors</u>, managers, employees, appointees, and Substantial Controllers when appropriate. Counterparties engaging in commercial transactions with the Company shall also be invited to participate to ensure a thorough understanding of the Company's commitment to ethical corporate management, policies, prevention plan, and the consequences of engaging in Unethical Conduct. The Company shall integrate its ethical corporate management policy with employee performance assessments and human resource policies, establishing a clear and effective system of rewards and disciplinary measures.	accordingly.
Article <u>26</u> (Whistleblowing system) The Company shall provide whistleblowing channels, and its operations shall be handled in accordance with the Company's "Code of Ethical Conduct."	Article <u>23</u> (Whistleblowing system) The Company shall provide whistleblowing channels, and its operations shall be handled in accordance with the Company's "Code of Ethical Conduct."	New Articles 17 to 19 were added, so the original article numbers are incremented accordingly.

Amended Article	Current Article	Explanation of the Amendment
Article <u>27</u> (Disciplinary and appeal system) The Company shall handle penalties for violations of ethical corporate management regulations and complaints in accordance with the Company's "Code of Ethical Conduct." The Company shall promptly disclose on its internal website information regarding the violator, including their job title, name, date of violation, details of the violation, and the handling of the case.	Article <u>24</u> (Disciplinary and appeal system) The Company shall handle penalties for violations of ethical corporate management regulations and complaints in accordance with the Company's "Code of Ethical Conduct." The Company shall Promptly disclose on its internal website information regarding the violator, including their job title, name, date of violation, details of the violation, and the handling of the case.	New Articles 17 to 19 were added, so the original article numbers are incremented accordingly.
Article <u>28</u> (Information disclosure) The Company shall disclose its ethical corporate management measures and implementation status on its website, in its annual report, and in its prospectus. Additionally, the content of the Ethical Corporate Management Best Practice Principles shall be disclosed on the Market Observation Post System (MOPS).	Article <u>25</u> (Information disclosure) The Company shall disclose its ethical corporate management measures and implementation status on its website, in its annual report, and in its prospectus. Additionally, the content of the Ethical Corporate Management Best Practice Principles shall be disclosed on the Market Observation Post System (MOPS).	New Articles 17 to 19 were added, so the original article numbers are incremented accordingly.

Amended Article	Current Article	Explanation of the Amendment
Article <u>29</u> (Review and amendment of the ethical corporate management policy and measures) The Company shall monitor the development of relevant local and international regulations concerning ethical corporate management, and encourage directors, managers, and employees to provide suggestions. Based on these suggestions, the Company shall review and improve the ethical corporate management policy and implementation measures to enhance the effectiveness of ethical corporate management.	Article <u>26</u> (Review and amendment of the ethical corporate management policy and measures) The Company shall monitor the development of relevant local and international regulations concerning ethical corporate management, and encourage directors, <u>supervisors</u>, managers, and employees to provide suggestions. Based on these suggestions, the Company shall review and improve the ethical corporate management policy and implementation measures to enhance the effectiveness of ethical corporate management.	1. The Company has established an Audit Committee to replace supervisors, so the word "supervisor" was deleted. 2. New Articles 17 to 19 were added, so the original article numbers are incremented accordingly.
Article <u>30</u> (Implementation) The Company's Ethical Corporate Management Best Practice Principles shall take effect upon approval by the <u>Audit Committee and</u> Board of Directors, and reported to the Shareholders' Meeting. The same procedure shall apply to any amendments. The Company has appointed independent directors. When submitting these Ethical Corporate Management Best Practice Principles to the Board of	Article <u>27</u> (Implementation) The Company's Ethical Corporate Management Best Practice Principles shall take effect upon approval by the Board of Directors, <u>submitted to each supervisor and</u> reported to the Shareholders' Meeting. The same procedure shall apply to any amendments. The Company has appointed independent directors. When submitting these Ethical Corporate Management Best Practice Principles	1. The Company has established an Audit Committee to replace supervisors, so the word "supervisor" was deleted. 2. New Articles 17 to 19 were added, so the original article numbers are incremented accordingly.

Amended Article	Current Article	Explanation of the Amendment
Directors for discussion in accordance with the preceding provisions, the opinions of independent directors shall be fully considered. Any objections or reservations expressed by independent directors shall be recorded in the minutes of the board meeting. Any objection or reservation expressed by an independent director who is unable to attend the meeting in person shall be made in writing and in advance, except with just cause, and recorded in the meeting minutes of the board meeting.	to the Board of Directors for discussion in accordance with the preceding provisions, the opinions of independent directors shall be fully considered. Any objections or reservations expressed by independent directors shall be recorded in the minutes of the board meeting. Any objection or reservation expressed by an independent director who is unable to attend the meeting in person shall be made in writing and in advance, except with just cause, and recorded in the meeting minutes of the board meeting.	
Article <u>31</u> (Supplemental provisions) These Principles were established on April 6, 2011. The first amendment was made on March 25, 2015. <u>The second amendment was made on March 13, 2025.</u>	The newly added article	Added a date of Formulation and amendment.

Taiwan Hopax Chems. Mfg. Co., Ltd.

Ethical Corporate Management Best Practice Principles

Article 1 (Purpose and applicability)

The Company has established these Best Practice Principles to create a corporate culture of ethical corporate management and achieve sound development.

The applicability of these Best Practice Principles includes the Company's subsidiaries, any foundation in which the Company's accumulated contributions, direct or indirect, exceed 50% of the total funds of the foundation, and other group enterprises and organizations, such as institutions or legal persons, substantially controlled by the Company.

Article 2 (Prohibition of unethical conduct)

The Company's directors, managers, employees, appointees, or persons with substantial control (hereinafter referred to as "Substantial Controllers"), in the process of engaging in business, may not directly or indirectly offer, promise to offer, request, or accept any improper benefits, nor commit unethical acts, including breach of ethics, illegal acts, or breach of fiduciary duty, for the purposes of acquiring or maintaining benefits (hereinafter referred to as "Unethical Conduct").

The counterparties to the conduct in the preceding paragraph include public officials, political candidates, political parties or their staffs, and government-owned or private-owned enterprises or institutions and their directors (trustees), supervisors, managers, employees, persons with substantial control, or other interested parties.

Article 3 (Types of benefits)

Benefits in these Best Practice Principles refer to any items of value, including money, endowments, commissions, positions, services, preferential treatment, or kickbacks of any type or in any name. Benefits received or given occasionally in accordance with accepted social customs and that do not adversely affect specific rights and obligations shall be excluded.

Article 4 (Compliance)

The Company shall comply with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of

Interest, as well as relevant regulations for listed companies or other business entities as the basic premise for implementing ethical corporate management.

Article 5 (Policies)

The Company shall uphold the principles of integrity, transparency, and accountability in its operations, formulating policies based on ethical corporate management. Additionally, the Company shall establish sound corporate governance and risk management mechanisms to create a sustainable business environment.

Article 6 (Prevention plan)

The Company actively prevents unethical conduct in accordance with the business philosophy and policies set forth in the previous article, and formulates a prevention plan, including operating procedures, code of conduct, and training, when necessary. The prevention plan shall comply with relevant laws and regulations applicable to the Company, its group enterprises, and the jurisdictions in which they operate. During the formulation of the prevention plan, the Company should communicate with employees, labor unions, key trading counterparties, or other interested parties.

Article 7 (Scope of the prevention plan)

The Company shall analyze business activities with higher risks of unethical conduct within its scope of business when formulating the prevention plan, and shall strengthen related preventive measures.

The Company's prevention plan shall at least include preventive measures for the following conduct:

- I. Bribery and acceptance of bribes.
- II. Providing illegal political donations.
- III. Improper charitable donations or sponsorships.
- IV. Offering or accepting unreasonable gifts, hospitality, or other improper benefits.
- V. Infringement of trade secrets, trademark rights, patent rights, copyrights, and other intellectual property rights.
- VI. Engaging in unfair competition.
- VII. Directly or indirectly harming the rights, health, or safety of consumers or other interested parties during the research, procurement, manufacturing, provision, or sale of products and services.

Article 8 (Commitment and execution)

The Company and group enterprises shall clearly state its ethical corporate management

policy in its regulations and documents provided for public access, and show that the Board of Directors and management is committed to actively implementing the policy in internal management and external business activities.

Article 9 (Ethical corporate management in business activities)

The Company shall conduct business activities based on the principles of ethical corporate management, ensuring fairness and transparency.

Prior to any commercial transactions, the Company shall take into consideration the legality of its agents, suppliers, customers, or other trading counterparties and whether any of them are involved in Unethical Conduct, and should avoid any transactions with persons with such records.

When entering into contracts with agents, suppliers, customers, or other trading counterparties, the Company shall include terms requiring compliance with its ethical corporate management policy. In the event that a counterparty engages in Unethical Conduct, the Company may terminate or rescind the contract at any time.

Article 10 (Prohibition on offering and acceptance of bribes)

The Company, along with its directors, managers, employees, appointees, and Substantial Controllers, may not, in the course of conducting business, directly or indirectly offer, promise to offer, request, or accept improper benefits of any type from or to customers, agents, contractors, suppliers, public officials, or other interested parties.

Article 11 (Prohibition on providing illegal political donations)

When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the Company, along with its directors, managers, employees, appointees, and Substantial Controllers, shall comply with the Political Donations Act and its own relevant internal operating procedures, and may not make such donations in exchange for commercial gains or business advantages.

Article 12 (Prohibition on improper charitable donations or sponsorships)

When making or offering donations and sponsorships, the Company, along with its directors, managers, employees, appointees, and Substantial Controllers, shall comply with relevant laws and regulations and internal operating procedures, and may not surreptitiously engage in bribery.

Article 13 (Prohibition against unreasonable gifts, hospitality, or other improper benefits)

The Company, along with its directors, managers, employees, appointees, and Substantial Controllers, shall not directly or indirectly offer or accept any unreasonable

gifts, hospitality, or other improper benefits to establish business relationships or influence commercial transactions.

Article 14 (Prohibition on intellectual property rights infringement)

The Company, along with its directors, managers, employees, appointees, and Substantial Controllers, shall comply with intellectual property-related laws and regulations, internal operating procedures, and contractual provisions. Without the consent of the intellectual property rights owner, they may not use, disclose, dispose of, damage, or engage in any other acts that infringe upon intellectual property rights.

Article 15 (Prohibition on engaging in unfair competition)

The Company shall conduct business activities in compliance with relevant competition laws and regulations and shall not share or divide the market.

Article 16 (Prevention of product or service harm to interested parties)

The Company, along with its directors, managers, employees, appointees, and Substantial Controllers, shall comply with relevant laws and international standards in the research, procurement, manufacturing, provision, and sale of products and services, in order to prevent products or services from directly or indirectly harming the rights, health, and safety of consumers or other interested parties. If there is factual evidence indicating that a product or service may pose a risk to the safety and health of consumers or other interested parties, the Company shall, in principle, immediately recall the affected products or cease the provision of such services.

Article 17 (Anti-money laundering and combating the financing of terrorism; AML/CFT)

The Company, along with its directors, managers, employees, appointees, and Substantial Controllers, shall comply with relevant laws and regulations on AML/CFT, and are prohibited from engaging in illegal conduct.

Article 18 (Prohibition of fraud)

The Company, along with its directors, managers, employees, appointees, and Substantial Controllers shall not, with the intention of seeking illegal gains for themselves or a third party, engage in fraudulent activities, transmit false information, or mislead others into making property dispositions.

Article 19 (Prohibition against insider trading)

The Company, along with its directors, managers, employees, appointees, and Substantial Controllers shall comply with the Securities and Exchange Act and related laws and regulations, and shall not use undisclosed information of the Company or its

clients or any information that may significantly affect stock prices to engage in insider trading. The abovementioned information shall not be disclosed directly or indirectly to others to prevent others from using the information to engage in insider trading.
The Company's directors, managers, employees, and appointees shall not trade the Company's stocks during the lock-up period of 30 days before the announcement of annual financial statements and 15 days before the announcement of quarterly financial statements after becoming aware of the Company's financial position and performance from the financial statements.

Article 20 (Organization and responsibilities)

The Company's directors, managers, employees, appointees, and Substantial Controllers shall fulfill their duty of care as prudent administrators, overseeing the Company's efforts to prevent Unethical Conduct. They shall continuously review the effectiveness of implementation and make ongoing improvements to ensure the enforcement of the ethical corporate management policy.

To strengthen ethical corporate management, the Company should appoint a dedicated unit to be responsible for formulating and supervising the implementation of the ethical corporate management policy and prevention plan, and regularly reporting to the Board of Directors.

Article 21 (Compliance of business operations)

The Company's directors, managers, employees, appointees, and Substantial Controllers shall comply with laws, regulations, and the prevention plan when conducting business operations.

Article 22 (Recusal from conflicts of interest)

The Company shall establish a policy to prevent conflicts of interest, and provide appropriate channels for directors, managers, and other interested parties attending or present at board meetings to proactively disclose any potential conflicts of interest with the Company.

The Company's directors, managers, and other interested parties attending or present at board meetings who have a conflict of interest regarding a board meeting agenda item, whether concerning themselves or the legal person they represent, should disclose the material aspects of their conflict of interest during that board meeting. If the matter may be detrimental to the Company's interests, they shall not participate in the discussion or voting on the issue. Furthermore, they must recuse themselves from both discussion and

voting and may not act as a proxy to exercise voting rights on behalf of other directors. The directors shall exercise self-discipline and may not support one another in improper dealings.

The Company's directors, managers, employees, appointees, and Substantial Controllers may not use their positions or influence within the Company to obtain improper benefits for themselves, their spouses, parents, children, or any other individuals.

Article 23 (Accounting and internal control)

The Company shall establish an effective accounting system and internal control system for business activities with a higher risk of Unethical Conduct. It may not maintain under-the-table accounts or secret accounts and shall continuously review these systems to ensure their design and enforcement remain effective.

The Company's internal audit unit shall regularly audit compliance with the systems in the preceding paragraph, and shall prepare audit reports for the Board of Directors. The internal audit unit may also appoint a certified public accountant to perform the audit and may seek assistance from professionals when necessary.

Article 24 (Operating procedures and code of conduct)

The Company shall establish operating procedures and a code of conduct in accordance with Article 6, setting forth specific requirements that directors, managers, employees, and Substantial Controllers shall observe when conducting business. These guidelines shall include, at a minimum, the following:

- I. Criteria for determining the offering or acceptance of improper benefits.
- II. Procedures for handling lawful political donations.
- III. Procedures and monetary standards for making legitimate charitable donations or sponsorships.
- IV. Regulations for avoiding conflicts of interest related to job duties, as well as reporting and handling procedures.
- V. Confidentiality regulations for trade secrets and commercially sensitive information obtained in the course of business.
- VI. Regulations and procedures for dealing with suppliers, customers, and trading counterparties involved in Unethical Conduct.
- VII. Procedures for addressing violations of the Ethical Corporate Management Best Practice Principles.
- VIII. Disciplinary measures for violators.

Article 25 (Education, training, and assessment)

The Company's chairperson, president, or senior management should communicate the importance of integrity to directors, employees, and appointees when appropriate.

The Company should organize training sessions, as well as awareness campaigns, for directors, managers, employees, appointees, and Substantial Controllers when appropriate. Counterparties engaging in commercial transactions with the Company shall also be invited to participate to ensure a thorough understanding of the Company's commitment to ethical corporate management, policies, prevention plan, and the consequences of engaging in Unethical Conduct.

The Company shall integrate its ethical corporate management policy with employee performance assessments and human resource policies, establishing a clear and effective system of rewards and disciplinary measures.

Article 26 (Whistleblowing system)

The Company shall provide whistleblowing channels, and its operations shall be handled in accordance with the Company's "Code of Ethical Conduct."

Article 27 (Disciplinary and appeal system)

The Company shall handle penalties for violations of ethical corporate management regulations and complaints in accordance with the Company's "Code of Ethical Conduct." The Company shall promptly disclose on its internal website information regarding the violator, including their job title, name, date of violation, details of the violation, and the handling of the case.

Article 28 (Information disclosure)

The Company shall disclose its ethical corporate management measures and implementation status on its website, in its annual report, and in its prospectus.

Additionally, the content of the Ethical Corporate Management Best Practice Principles shall be disclosed on the Market Observation Post System (MOPS).

Article 29 (Review and amendment of the ethical corporate management policy and measures)

The Company shall monitor the development of relevant local and international regulations concerning ethical corporate management, and encourage directors, managers, and employees to provide suggestions. Based on these suggestions, the Company shall review and improve the ethical corporate management policy and implementation measures to enhance the implementation effectiveness of ethical corporate management.

Article 30 (Implementation)

The Company's Ethical Corporate Management Best Practice Principles shall take effect upon approval by the Audit Committee and Board of Directors, and reported to the Shareholders' Meeting. The same procedure shall apply to any amendments.

The Company has appointed independent directors. When submitting these Ethical Corporate Management Best Practice Principles to the Board of Directors for discussion in accordance with the preceding provisions, the opinions of independent directors shall be fully considered. Any objections or reservations expressed by independent directors shall be recorded in the minutes of the board meeting. Any objection or reservation expressed by an independent director who is unable to attend the meeting in person shall be made in writing and in advance, except with just cause, and recorded in the meeting minutes of the board meeting.

Article 31 (Supplemental provisions)

These Principles were established on April 6, 2011.

The first amendment was made on March 25, 2015.

The second amendment was made on March 13, 2025.

Taiwan Hopax Chems. Mfg. Co., Ltd.

Comparison table of the revised “Code of Ethical Conduct”

Amended Article	Current Article	Explanation of the Amendment
Article 1 Purpose The Code of Ethical Conduct was established to ensure that the conduct of the Company's Board of Directors, management, and all employees complies with ethical standards, and for stakeholders to understand the Company's ethical standards <u>and regulations on anti-corruption and anti-bribery</u>. This Code is an internal self-regulatory code of the Company.	Article 1 Purpose The Code of Ethical Conduct was established to ensure that the conduct of the Company's Board of Directors, management, and all employees complies with ethical standards, and for stakeholders to understand the Company's ethical standards. This Code is an internal self-regulatory code of the Company.	Added anti-corruption and anti-bribery as a purpose for these Principles.
Article 2 Scope This Code is applicable to the Board of Directors, management, and all employees of the Company <u>and its subsidiaries</u>. The applicable subjects in the preceding paragraph are collectively referred to as "the Company's Personnel."	Article 2 Scope This Code is applicable to the Board of Directors, management, and all employees of the Company. The applicable subjects in the preceding paragraph are collectively referred to as "the Company's Personnel."	Added the Company's subsidiaries to the scope of these Principles.
Article 3 Procedure I. Principles of ethical corporate management and compliance with laws and regulations: The Company and its personnel shall uphold the principle of integrity and comply with ethical standards during business operations. The Company's Personnel must abide by laws, regulations and this Code and pursue high ethical standards. <u>II. Avoiding conflicts of interest and avoiding opportunities for personal gain:</u> <u>(I) The Company's management personnel shall handle official business in an objective and efficient</u>	Article 3 Procedure Principles of ethical corporate management and compliance with laws and regulations: The Company and its personnel shall uphold the principle of integrity and comply with ethical standards during business operations. The Company's Personnel must abide by laws, regulations and this Code and pursue high ethical standards.	Added a provision on gifts and hospitality.

manner, and shall not use their position in the Company to enable themselves, their spouses, parents, children, or relatives within the second degree of kinship to obtain improper benefits; The Company's Personnel shall recuse themselves when they are aware of a conflict of interest.

(II) Gifts and hospitality

1. Basic principles

The Company's employees must maintain the highest ethical standards when interacting with suppliers, contractors, customers, and other parties involved in the Company's business (including government agencies). Accepting or giving any gifts, cash, or hospitality that may influence normal business relationships and judgments is prohibited. Any form of bribery is strictly prohibited.

2. Rules for accepting gifts

Employees must comply with the following rules if they must accept any form of gifts:

a. Prohibition on acceptance of cash or securities: Accepting cash, checks, or any other securities (such as gift certificates, stocks, etc.) is prohibited.

b. Limits: If it is

necessary to accept gifts or hospitality as a courtesy, the amount per person shall not exceed NT\$3,000 or its equivalent each time. If the gift is a souvenir bearing the gift-giving company's logo, the upper limit is increased to NT\$6,000 or its equivalent.

c. Handling gifts

exceeding the limit: If a person temporarily accepts a gift that exceeds the abovementioned limit due to concerns that it would be inappropriate to decline the gift, the gift must be handed over to the Secretary-General of the Employee Welfare Committee within 7 days for unified processing.

d. Prohibition of

privileged treatment: The Company's Personnel may not accept any stock subscription or any other similar offers from any customer or vendor outside the open trading market.

3. Rules for giving gifts The Company may give gifts to people it does business with when necessary to maintain and improve normal business relations, but must comply with the

<u>following provisions:</u> a. <u>Name used for giving gifts: Gifts should be given in the name of the Company and the gifts must have the Company's name on it.</u> b. <u>Limits: If gifts need to be separately purchased due to special considerations or needs, the value shall be capped at NT\$3,000 or its equivalent per person per time. If the gift contains the Company's logo, the upper limit is NT\$6,000 or its equivalent.</u> c. <u>Hospitality standards:</u> <u>All hospitality accepted or arranged must be consistent with general business courtesy, shall not be too frequent or result in large and unnecessary expenses, and may not make customers or vendors believe that gifts or hospitality are a requirement for establishing or maintaining business relations with the Company.</u> 4. <u>Application for a special budget</u> <u>If a project needs to exceed the budget for the abovementioned gifts or hospitality due to special circumstances, a detailed application for a special budget must be submitted in advance, and the project may only</u>		
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<u>be carried out after the application is approved by the president of the parent company. The detailed expense items and reasons must be listed in the application, and their necessity and expected results must be explained.</u>		
V. Principles of fair trade and integrity: (I) The Company's Personnel shall treat subjects that do business with the Company fairly, perform their duties impartially, and shall not treat subjects differently without a justifiable reason. (II) The Company's Personnel shall not use the power, means, or opportunities of their positions to seek improper benefits for themselves or a third party, or request, promise, or accept gifts of money or other rights or benefits of economic value from those who have a vested interest in their positions. <u>(III) All personnel who hold managerial positions in the Company or participate in important confidential matters of the Company shall abide by the principles of integrity and confidentiality, and must sign the "Integrity and Confidentiality Declaration."</u>	V. Principles of fair trade and integrity: The Company's Personnel shall treat subjects that do business with the Company fairly, perform their duties impartially, and shall not treat subjects differently without a justifiable reason. The Company's Personnel shall not use the power, means, or opportunities of their positions to seek improper benefits for themselves or a third party, or request, promise, or accept gifts of money or other rights or benefits of economic value from those who have a vested interest in their positions.	Added a provision requiring persons holding managerial positions and participating in confidential affairs to sign the "Integrity and Confidentiality Declaration," and divided the provision into three points.
VII. Encouraging reports on illegal or unethical conduct: (I) The Company shall step up the promotion of compliance and integrity concepts, and reward employees who report suspected or confirmed violations of laws, regulations or this Code. <u>All stakeholders can submit reports to the HR</u>	VII. Encouraging reports on illegal or unethical conduct: <u>The Company shall step up the promotion of compliance and integrity concepts, and reward employees who report to the human resources or legal department when they suspect or discover violations of laws, regulations or these principles.</u>	The Key points for amendment is 1. The whistleblowing and complaint channels on the Company's official website has listed the acceptance

<u>manager, chief internal auditor, or legal department using the contact information provided in the "Whistleblowing and Complaint Channels" on the Company's official website.</u> (II) <u>The whistleblower shall provide his/her name and contact information, and provide a detailed description, including the person, event, time, place and supporting information.</u> (III) <u>The Company shall provide the whistleblower with complete protection measures, and strictly maintain the confidentiality of the identity and information provided by the whistleblower. All subsequent handling processes and filing shall be handled according to methods for "confidential documents" to ensure the quality of the investigation and avoid unfair retaliation or treatment of the whistleblower.</u> (IV) <u>If a report is anonymous and valid contact information is not provided, the Company will still look into the contents, and will conduct an investigation if there clear evidence or abnormalities.</u>	The Company provides comprehensive protection measures for the employees who file reports, <u>ensures the quality of investigations, and avoids unfair retaliation or treatment of whistleblowers.</u>	methods and contact persons for stakeholders to report violations. 2. Reports must have clear supporting information 3. Reports are treated as confidential documents 4. Anonymous reports without clear evidence might not be accepted
Article 4 Announcement, implementation, and disclosure methods (I) This Code shall take effect upon approval by the <u>Audit Committee</u> and Board of Directors and reported to the shareholders' meeting. This Code shall also be disclosed on the Company's website, annual report, prospectuses, and the MOPS. The same applies to subsequent amendments. (II) This Code was established on March	Article 4 Announcement, implementation, and disclosure methods This Code shall take effect upon approval by the Board of Directors, <u>then submitted to each supervisor</u> and reported to the shareholders' meeting. This Code shall also be disclosed on the Company's website, annual report, prospectuses, and the MOPS. The same applies to subsequent amendments.	The Company has established an Audit Committee to replace supervisors, the wording may be revised as deemed appropriate in accordance with the actual circumstances. Add the revision date.

25, 2015. <u>The first amendment was</u> <u>made on Monday, August</u> <u>12, 2024.</u>		
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Taiwan Hopax Chems. Mfg. Co., Ltd

Code of Ethical Conduct

Article 1 Purpose

The Code of Ethical Conduct was established to ensure that the conduct of the Company's Board of Directors, management, and all employees complies with ethical standards, and for stakeholders to understand the Company's ethical standards and regulations on anti-corruption and anti-bribery. This Code is an internal self-regulatory code of the Company.

Article 2 Scope

This Code is applicable to the Board of Directors, management, and all employees of the Company and its subsidiaries. The applicable subjects in the preceding paragraph are collectively referred to as "the Company's Personnel."

Article 3 Procedure

I. Principles of ethical corporate management and compliance with laws and regulations: The Company and its personnel shall uphold the principle of integrity and comply with ethical standards during business operations. The Company's Personnel must abide by laws, regulations and this Code and pursue high ethical standards.

II. Avoiding conflicts of interest and avoiding opportunities for personal gain:

(I) The Company's management personnel shall handle official business in an objective and efficient manner, and shall not use their position in the Company to enable themselves, their spouses, parents, children, or relatives within the second degree of kinship to obtain improper benefits; The Company's Personnel shall recuse themselves when they are aware of a conflict of interest.

(II) Gifts and hospitality

1. Basic principles

The Company's employees must maintain the highest ethical standards when interacting with suppliers, contractors, customers, and other parties involved in the Company's business (including government agencies). Accepting or giving any gifts, cash, or hospitality that may influence normal business relationships and judgments is prohibited. Any form of bribery is strictly prohibited.

2. Rules for accepting gifts

Employees must comply with the following rules if they must accept any form of gifts:

- a. Prohibition on acceptance of cash or securities: Accepting cash, checks, or any other securities (such as gift certificates, stocks, etc.) is prohibited.
- b. Limits: If it is necessary to accept gifts or hospitality as a courtesy, the amount per person shall not exceed NT\$3,000 or its equivalent each time. If the gift is a souvenir bearing the gift-giving company's logo, the upper limit is increased to NT\$6,000 or its equivalent.
- c. Handling gifts exceeding the limit: If a person temporarily accepts a gift that exceeds the abovementioned limit due to concerns that it would be inappropriate to decline the gift, the gift must be handed over to the Secretary-General of the Employee Welfare Committee within 7 days for unified processing.
- d. Prohibition of privileged treatment: The Company's Personnel may not accept any stock subscription or any other similar offers from any customer or vendor outside the open trading market.

3. Rules for giving gifts

The Company may give gifts to people it does business with when necessary to maintain and improve normal business relations, but must comply with the following provisions:

- a. Name used for giving gifts: Gifts should be given in the name of the Company and the gifts must have the Company's name on it.
- b. Limits: If gifts need to be separately purchased due to special considerations or needs, the value shall be capped at NT\$3,000 or its equivalent per person per time. If the gift contains the Company's logo, the upper limit is NT\$6,000 or its equivalent.
- c. Hospitality standards: All hospitality accepted or arranged must be consistent with general business courtesy, shall not be too frequent or result in large and unnecessary expenses, and may not make customers or vendors believe that gifts or hospitality are a requirement for establishing or maintaining business relations with the Company.

4. Application for a special budget

If a project needs to exceed the budget for the abovementioned gifts or hospitality due to special circumstances, a detailed application for a special budget must be submitted in advance, and the project may only be carried out after the application is approved by the president of the parent company. The detailed expense items and reasons must be listed in the application, and their necessity and expected results must be explained.

III. The Company's Personnel shall not engage in the following conduct:

- (I) Obtaining personal gain by using the Company's property or information or taking advantage of their positions;
- (II) Competing with the Company.
- (III) Engaging in conduct prohibited by the Company's Code of Conduct or other relevant regulations.

IV. Confidentiality obligations: The Company's Personnel shall carefully manage matters or confidential information they become aware of when performing their duties, and shall not disclose such information to others or use it for purposes other than work, unless disclosed by the Company or provided for the purpose of performing their duties. The same applies after the Company's Personnel are separated. The information that must be kept confidential in the preceding paragraph shall be handled in accordance with the Company's Trade Secrets and Non-competition Procedures.

V. Principles of fair trade and integrity:

- (I) The Company's Personnel shall treat subjects that do business with the Company fairly, perform their duties impartially, and shall not treat subjects differently without a justifiable reason.
- (II) The Company's Personnel shall not use the power, means, or opportunities of their positions to seek improper benefits for themselves or a third party, or request, promise, or accept gifts of money or other rights or benefits of economic value from those who have a vested interest in their positions.
- (III) All personnel who hold managerial positions in the Company or participate in important confidential matters of the Company shall abide by the principles of integrity and confidentiality, and must sign the "Integrity and Confidentiality Declaration."

VI. Proper protection and use of company assets: The Company's Personnel shall

make every effort to protect the Company's assets and use the assets effectively and legally for official business, avoid theft, embezzlement, or waste, and supervise their subordinates to use the assets properly.

VII. Encouraging reports on illegal or unethical conduct:

- (I) The Company shall step up the promotion of compliance and integrity concepts, and reward employees who report suspected or confirmed violations of laws, regulations or this Code. All stakeholders can submit reports to the HR manager, chief internal auditor, or legal department using the contact information provided in the "Whistleblowing and Complaint Channels" on the Company's official website.
- (II) The whistleblower shall provide his/her name and contact information, and provide a detailed description, including the person, event, time, place and supporting information.
- (III) The Company shall provide the whistleblower with complete protection measures, and strictly maintain the confidentiality of the identity and information provided by the whistleblower. All subsequent handling processes and filing shall be handled according to methods for "confidential documents" to ensure the quality of the investigation and avoid unfair retaliation or treatment of the whistleblower.
- (IV) If a report is anonymous and valid contact information is not provided, the Company will still look into the contents, and will conduct an investigation if there clear evidence or abnormalities.

VIII. Punishment and remedies: If the Company's Personnel is found in violation of this Code, the Company shall handle it according to the law or relevant company regulations depending on the severity of the violation. However, if the Company's board member is found in severe violation, the Company shall promptly disclose the title and name of the violator, the date of the violation, reasons for the violation, the provisions violated, and the disciplinary actions taken on the Market Observation Post System (MOPS). The Board of Directors will then be asked to deliberate on a punishment. The parties involved in the violation referred to in the preceding paragraph may use the Company's complaint system to seek remedy in accordance with relevant regulations.

IX. Exemption procedures: If the Company's management personnel need to be

exempted from this Code due to special circumstances, it must be approved by the Board of Directors, and the title and name of the individual exempted, the exemption period, and reason for exemption must be disclosed on the Company's website.

Article 4 Announcement, implementation, and disclosure methods

- I. This Code shall take effect upon approval by the Audit Committee and Board of Directors and reported to the shareholders' meeting. This Code shall also be disclosed on the Company's website, annual report, prospectuses, and the MOPS. The same applies to subsequent amendments.
- II. This Code was established on March 25, 2015.
The first amendment was made on Monday, August 12, 2024.

Taiwan Hopax Chems. Mfg. Co., Ltd.**Comparison table of the revised “Articles of Incorporation”**

Amended Article	Current Article	Explanation of the Amendment
Article 29: If the Company has generated profits in the current year, it shall allocate no less than 2% of the profits as employee remuneration, <u>(of the employee bonuses in this paragraph, no less than 10% shall be allocated for entry-level employees)</u> and the Board of Directors shall decide to distribute the remuneration as shares or cash, which can also be distributed to employees of parent companies or subsidiaries that meet certain criteria. The Company's Board of Directors may allocate no more than 2% of the aforementioned profits as remuneration for Directors. The allocation of remuneration for employees and Directors shall be reported to the shareholders' meeting. However, if there are still Accumulated deficit, the Company shall reserve the amount to be covered in advance, and then allocate employee remuneration and Director remuneration in Proportion as stipulated in the preceding paragraph.	Article 29: If the Company has generated profits in the current year, it shall allocate no less than 2% of the profits as employee remuneration, and the Board of Directors shall decide to distribute the remuneration as shares or cash, which can also be distributed to employees of parent companies or subsidiaries that meet certain criteria. The Company's Board of Directors may allocate no more than 2% of the aforementioned profits as remuneration for Directors. The allocation of remuneration for employees and Directors shall be reported to the shareholders' meeting. However, if there are still accumulated deficit, the Company shall reserve the amount to be covered in advance, and then allocate employee remuneration and Director remuneration in proportion as stipulated in the preceding paragraph.	Amended in accordance with Article 14, Paragraph 6 of the Securities and Exchange Act.
Article 31: The Articles of Incorporation were established on January 22, 1975. (First to forty-fifth amendments omitted)	Article 31: The Articles of Incorporation were established on January 22, 1975. (First to forty-fifth amendments omitted)	Added the amendment date and number of amendments.

Amended Article	Current Article	Explanation of the Amendment
<u>The forty-sixth amendment was made on June 19, 2025.</u>		