

(Translation – In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

Stock Code: 4764



Double Bond Chemical Ind. Co., Ltd.

2024 Annual Report

You may view the annual report at the following site

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

Company Website: <https://www.dbc.com.tw/tw/invest4.php>

Published on May 22, 2025

I. Spokesperson and Deputy Spokesperson of the Company:

1. Spokesperson of the Company:

Name : CHEN, CHUNG-PIN
Job Title : General Manager
Contact Number : (02)8228-1168
Email : ir@dbc.com.tw

2. Deputy Spokesperson of the Company

Name : TSAI, JO-YU
Job Title : Accounting manager
Contact Number : (02)8228-1168
Email : ir@dbc.com.tw

II. Address and telephone number of the headquarter, factory and branch

1. Headquarter, factory, and branch

<u>Name</u>	<u>Address</u>	<u>TEL</u>
Headquarter	4F, No. 959, Zhongzheng Road, Zhonghe District, New Taipei City, Taiwan (R.O.C.)	(02)8228-1168
Factory	No. 28, Sec. 2, Ligong 1st Rd., Wujie Township, Yilan County 268, Taiwan (R.O.C.)	(03)9906-278
Factory	Dafeng port petrochemical new material industrial park, Dafeng District, Yancheng, Jiangsu Province, China	86-0515-83551088

III. Stock Transfer Agency and Contact Info.:

Name : Shareholders Service Dept., Yuanta Securities Co., Ltd.
Address : B1, No. 67, Section 2, Dunhua South Road, Da'an District, Taipei City 106, Taiwan (R.O.C.)
Website : <http://www.yuanta.com.tw/>
TEL : (02)2586-5859

IV. Name, Firm, Address, Website, and TEL of Certified Public Accountants Who Audit the Latest Annual Financial Statements

CPA : CPA CHEN, CHIH-YUAN & CPA HUANG, YAO-LIN
Firm : Deloitte & Touche
Address : 20F, No. 100, Songren Road, Xinyi District, Taipei City, Taiwan (R.O.C.)
Website : <http://www.deloitte.com.tw>
TEL : (02)2725-9988

V. Name of any exchanges where the Company's securities are traded overseas and the method by which to access information on the overseas securities: None

VI. Company's website: <http://www.dbc.com.tw>

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I. LETTER TO SHAREHOLDERS

Dear Shareholders,

In 2024, the global economy has gradually recovered, with international trade steadily revitalizing and driving industrial demand. In addition to maintaining steady expansion in its existing markets, DBC has made significant progress in the development of new products, including materials for 5G/6G and AI-related electronics, marking new milestones and contributing to sales growth. However, as the implementation of various operational plans continues to take shape, the company still recorded a loss for the year. This was further impacted by a fire incident at an off-site warehouse in July 2024. Despite these challenges, DBC has consistently demonstrated resilience and actively overcome difficulties, laying a solid foundation for future growth. The year 2025 presents both challenges and opportunities for DBC. Our management team will continue to strengthen our core competitiveness, actively expand into new markets, and seek new growth opportunities amid ongoing transformation. We sincerely thank our shareholders for their continued support and encouragement, and we look forward to achieving outstanding results and sharing fruitful outcomes in the coming year.

For the 2024 annual business summary, the report is as follows:

1. 2024 Business Report

(I) Business plan implementation outcome

The consolidated operating income of the Company in 2024 was NT\$2,702,450 thousand, representing a year-over-year increase of approximately 21%. The consolidated net loss after tax attributable to the owner of the Company was NT\$37,290 thousand, reflecting a reduction of approximately 57% in the loss compared to the prior year.

(II) Budget Execution Status: The Company has not disclosed any financial forecasts; therefore, this section is not applicable.

(III) Revenue, Expense, and Profitability Analysis

(1) Financial revenues and expenditures:

Unit: NT\$ thousand

Items	2024	2023
Operating income	2,702,450	2,227,080
Gross profit	368,478	256,183
Net operating gain (loss)	(26,898)	(113,974)
Non-operating income and expenditure	(5,215)	24,976
Net profit (loss) before tax	(32,113)	(88,998)
Net profit (loss) for the period	(34,703)	(85,050)
Net profit (loss) attributable to owners of the company	(37,290)	(85,907)
Net profit (loss) attributable to non-controlling interest	2,587	857

(2) Profitability analysis:

% ; Earnings (Loss) Per Share in New Taiwan Dollars

Item	2024	2023
Return on Asset (%)	(0.10)	(1.35)
Return on Equity (%)	(1.71)	(3.81)
Proportion of operating income (loss) to the paid-in capital (%)	(3.14)	(13.32)
Proportion of net profit (loss) before tax to the paid-in capital (%)	(3.75)	(10.40)
Net Profit (loss) Margin (%)	(1.38)	(3.86)
Earnings (loss) per share (NT\$)	(0.44)	(1.00)

(IV) Research and Development

Core R&D Products of the Group:

	2024 R&D Results	Future R&D Directions
Plastics Additives	(1) Various types of flame retardant formulas (2) Environmentally friendly and high efficiency heat stabilizer for PVC (3) Phenol-free anti-yellowing additive for PU foam	(1) Continue to develop environmentally friendly and high efficiency heat stabilizer for PVC (2) Composite phenol-free anti-smoke additives for polyurethane breast and shoes cotton (3) Phosphate-free antioxidants for spandex or thermoplastic polyurethane (4) High-efficiency anti-freeze emulsion antioxidant for PVC polymerization
UV Curable Materials	(1) Anti-fog coating (2) Flame retardant resin (3) Bio mass UV resin	(1) Hammer paint (2) Skin-feel oligomer (3) E-paper material (4) New materials related to PCB inks

	2024 R&D Results	Future R&D Directions
Digital Textile Materials	(1) Water-based color glue used in textile middle coatings (2) High concentration UV-curing color paste (3) Suitable for various materials customization inkjet ink (4) High fastness water based pigment ink & pre and post treatment (5) Digital printing OEM	(1) Water- and oil-repellent coating varnish for non-woven fabrics (2) Continue to develop high concentration UV-curing color past (3) Andydrous dyeing process (4) Environmentally friendly UV absorber for textiles (5) Continue to develop digital printing OEM
Electronic Materials	(1) 5G / 6G materials (2) Other electronic materials	(1) Continue to develop 5G/6G materials (2) Continue to develop other electronic materials (3) Self-sufficiency in key materials

2. 2025 Business Plan Overview

The Company offers a diversified range of products, and market trends vary across different segments. Our operational objective is to achieve growth in both revenue and profitability. Based on historical sales records, ongoing customer negotiations, market supply and demand conditions, and new product development plans, the overall sales volume in 2025 is expected to grow steadily.

The Company's future business strategies and key production and marketing policies are outlined as follows:

(I) Plastic Additives:

(1) Asia:

- A. China: Focusing on the industrial applications of polyurethane and polyolefin, expanding the development of proprietary products, and developing distinctive products.
- B. Korea: The main promotion is the emulsion formula AO in PVC & ABS polymerization and the CN 300 series used in wires and cables.
- C. Vietnam/Indonesia: Promoting additives for polyurethane foam and environmentally friendly PVC calcium zinc heat stabilizers.
- D. India: Comprehensive promotion of CS X-100S, CS B2973, and ketone pharmaceutical intermediates.

- (2) Europe and America: Promoting REACH and TSCA registered products and actively developing high-potential customers, and seek new distributor partnerships to enhance product promotion effectiveness
- (3) Maintain relationships with key customers while developing new clients and identifying emerging needs.

(II) UV Curable Materials:

- (1) Comprehensive development of main photo initiators, characteristic monomers, and oligomers mass-produced in Yilan factory for applications in industries such as ink, paint, adhesives, 3D printing, electronics, contact lenses, etc.
- (2) New product promotion: Skin-feel oligomers, flame-retardant resins, stain-resistant resins, low-odor photo initiators, LED curing photo initiators, customized formulas.

(III) Digital Textile Materials:

- (1) Water-based and UV-curable pigment pastes and inks: Promote in key markets including China, Southeast Asia, Turkey, the United States, Brazil, and India.
- (2) UV absorber for textile: Promote in major markets such as China, Southeast Asia, and India.
- (3) Digital textile printing services and spray dyeing as a replacement for traditional dyeing: Actively promoted through project-based initiatives.

(IV) Electronic Materials :

- (1) Key 5G electronic materials : DBC 5100, DBC 2300, and DBC 1000 are being actively promoted to copper-clad laminate (CCL) customers in Taiwan, South Korea, and Japan.
- (2) Evaluation of 5G/6G-related materials and semiconductor processing opportunities.
- (3) Expansion of the electronic customer base and promotion of new products.

3. The Company's Future Development Strategy Is Influenced by External Competitive Dynamics, Regulatory Frameworks, and the Overall Macroeconomic Environment

Looking ahead, the global economic outlook remains uncertain, with geopolitical risks and international trade policies continuing to drive market volatility. Trade tensions persist across various regions, yet Double Bond Chemical is expected to leverage its competitive advantages to identify new business opportunities amid these challenges. In addition to actively implementing various sales initiatives to sustain growth momentum, the Dafeng Plant will further expand its production capacity to meet the operational needs of the Group. Meanwhile, the Yilan Plant will continue to strengthen the promotion of new electronic material products, progressively advancing toward the achievement of each stage of the Company's operational goals.

Chairman: TSAY, MAW-DER
General Manager: CHEN, CHUNG-PIN

II. Corporate Governance Report

1. Information about directors, supervisors, presidents, vice presidents, assistant vice presidents, heads of each department and branch

(I) Members of the board of directors

(1) Information about directors

April 27, 2025; Unit: shares

Title	Nationality or place of registration	Name	Gender / age	Date elected / appointed	Term	First Elected Date	Shareholding as of elected date		Current shareholding		Shares held by spouse and underage children		Shares held by proxy		Major career (academic) achievements	Concurrent positions in the Company and other companies	Spouse or relatives of second degree of closer acting as other supervisors, directors, or independent directors			Notes (Note1)
							Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio			Job Title	Name	Relationship	
Chairman	ROC	TSAY, MAW-DER	Male / 61~70	2023.06.28	3 years	2003.03.17	2,907,372	3.40%	2,907,372	3.40%	250,000	0.29%	1,051,368	1.23%	Business Manager of EVERLIGHT CHEMICAL INDUSTRIAL CORPORATION Technician of Far Eastern New Century Corporation Bachelor in textile science, National Taipei University of Technology	Chairperson of Double Bond Chemical Ind. Co., Ltd. Director of PT. Double Bond Chemindo Director of DBC Switzerland AG Director of Double Bond Chemical (Thailand) Co., Ltd. Director of DBC Europe Holding AG Chairperson of Double Bond Chemical Ind. USA, Inc. Director of DBC KOREA CO., LTD. Chairperson of DAFENG XIN YUAN DA CHEMICAL CO., LTD. Chairperson of DOUBLE BOND CHEMICAL (SHANGHAI) CO., LTD. Legal Representative of Corporate Director of SIN HUN CHEMICAL CO., LTD.	N/A	N/A	N/A	N/A
Director	ROC	LIN, LIANG	Female / 51~60	2023.06.28	3 years	2014.06.23	884,683	1.03%	1,284,683	1.50%	1,621,528	1.90%	16,130,077	18.86%	Chairperson & General Manager of DOUBLE BOND CHEMICAL IND. CO., LTD. Product Manager of NICE ENTERPRISE CO., LTD. Planning Specialist of FORMOSA WATCH CO., LTD. Complete National Taiwan University EMBA	Chairperson of Jatdix Investments International Limited Legal Representative Chairperson of Innonyx International Co., Ltd. Chairperson of JATDIA international Business Co., Ltd. Chairperson of JATDITA Investments Co., Ltd. Legal Representative Supervisor of QTS CORPORATION Legal Representative Director of VisionaryBioMed Limited Supervisor of ACCE Biotech Company Limited	Representative of Legal Person Director	LIU, CHIEN-LIANG	Spouse	N/A

Title	Nationality or place of registration	Name	Gender / age	Date elected / appointed	Term	First Elected Date	Shareholding as of elected date		Current shareholding		Shares held by spouse and underage children		Shares held by proxy		Major career (academic) achievements	Concurrent positions in the Company and other companies	Spouse or relatives of second degree of closer acting as other supervisors, directors, or independent directors			Notes (Note1)
							Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio			Job Title	Name	Relationship	
Director	ROC	JATDIX INVESTMENTS INTERNATIONAL LIMITED	Male/ 61~70	2023.06.28	3 years	2023.06.28	—	—	9,920,770	11.60%	—	—	—	—	Director of VisionaryBioMed Limited Director of T-BAL CO., LTD. Chairperson & General Manager of DOUBLE BOND CHEMICAL IND. CO., LTD. Chairperson of SIN HUN CHEMICAL CO., LTD. Director of GLYCONEX INC. General Manager of UCB company Bachelor of Department of Chemistry, National Taiwan University of Science and Technology	Director of Jatdix Investments International Limited Legal representative director of T-BAL CO., LTD. Legal representative director Innonyx International Co., Ltd. Supervisor of JATDITA Investments Co., Ltd. Director of ACCE Biotech Company Limited	Director	LIN, LIANG	Spouse	N/A
		Representative: LIU, CHIEN-LIANG					—	—	1,621,528	1.90%	1,284,683	1.50%	16,130,077	18.86%						
Director	ROC	LEE, KUN-CHANG	Male/ 61~70	2023.06.28	3 years	2023.06.28	4,552,320	5.32%	6,525,320	7.63%	6,829,917	7.98%	5,065,471	5.92%	General Manager of HG CO., LTD. Bachelor of Department of Chemistry, National Central University	General Manager of HG CO., LTD. Director of SIN HUN CHEMICAL CO., LTD. Supervisor of FDC, Lees CO., LTD. Supervisor of RUYU CO., LTD. Chairperson of BEST ROUND CO., LTD. Chairperson of CPCO CO., LTD.	N/A	N/A	N/A	N/A
Independent Director	ROC	TSAI, KAO-CHUNG	Male/ 61~70	2023.06.28	3 years	2016.12.02	—	—	—	—	—	—	—	—	Underwriting Manager of TAIWAN INTERNATIONAL SECURITIES CO., LTD. Vice President of Capital Market Department, Barits Securities Corporation Master's degree in economics, Soochow University	Chairperson & General Manager of Best Yield Development Consulting Inc. Legal Representative Vice Chairperson of Champion Microelectronic Corp. Independent Director & Remuneration Committee of SONIX TECHNOLOGY Co., Ltd. Independent Director & Remuneration Committee of HOLY STONE HEALTHCARE Co., Ltd. Remuneration Committee of Nien Hsing Textile Co., Ltd.	N/A	N/A	N/A	N/A
Independent Director	ROC	JU, FU-CHEN	Male/ 71~80	2023.06.28	3 years	2016.12.02	—	—	—	—	—	—	—	—	President of TAIWAN STOCK EXCHANGE President of Taiwan Depository & Clearing Corporation Chairperson of Taiwan Depository & Clearing Corporation Chairperson of Bank Taiwan Securities Co., Ltd. Master's degree in economics, National Taiwan University	Legal representative director of KGI Securities Co., Ltd. Independent Director & Remuneration Committee of Julien's International Entertainment Group Independent Director & Remuneration Committee of AntiMicrobial Savior BioteQ Co., Ltd.	N/A	N/A	N/A	N/A

Title	Nationality or place of registration	Name	Gender / age	Date elected / appointed	Term	First Elected Date	Shareholding as of elected date		Current shareholding		Shares held by spouse and underage children		Shares held by proxy		Major career (academic) achievements	Concurrent positions in the Company and other companies	Spouse or relatives of second degree of closer acting as other supervisors, directors, or independent directors			Notes (Note1)
							Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Job Title	Shareholding ratio			Job Title	Name	Relationship	
Independent Director	ROC	LEE, SHUEI-SHENG	Male/ 71~80	2023.06.28	3 years	2023.06.28	132,220	0.15%	132,220	0.15%	100,057	0.12%	—	—	Auditor of Bank of Taiwan Deputy manager of South Africa branch and Gaorong Branch, Bank of Taiwan Bachelor of Department of Accounting, National Cheng Kung University	None	N/A	N/A	N/A	N/A

Note 1: Where the Company’s Chairperson and President or personnel with equivalent position (chief manager) are the same person, spouses or relatives within one degree of kinship, please state the reasons, reasonability, necessity and measures to be taken (e.g. increase the number of Independent Directors and have majority of Directors not serving as employees or managerial officers): None.

(2) Major shareholders of corporate shareholders:

April 27, 2025

Name of Institutional Shareholder	Major Institutional Shareholders	
	Name	Shareholding Ratio
JATDIX INVESTMENTS INTERNATIONAL LIMITED	LIN, LIANG	7.72%
	LIU, CHIEN-LIANG	39.94%
	LIU, CHIA-HAN	2.14%
	LIU, HUNG-CHIH	2.14%
	LIU, JEN-FENG	2.14%
	LIU, JEN-HSIEN	2.14%
	Belize Mega Grand Holdings Corp.	43.78%

(3) If the major shareholder is also a corporate entity, please also specify its major shareholders:

April 27, 2025

Name of Institutional Shareholder	Major Institutional Shareholders	
	Name	Shareholding Ratio
Belize Mega Grand Holdings Corp.	LIN, LIANG	40%
	LIU, CHIEN-LIANG	40%
	LIU, CHIA-HAN	10%
	LIU, HUNG-CHIH	10%

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

Name	Professional Qualification and Experience (Note1)	Status of Independence (Note2)	Number of public companies where the person holds the title as independent director
Chairman TSAY, MAW-DER	• Required work experience in commerce, law, finance, accounting or others required by the business of the Company. • Had once worked as President of Chairperson of Double Bond Chemical (SHANGHAI) Co., Ltd. • Currently serving as Chairperson of DOUBLE BOND CHEMICAL IND. CO., LTD.	(5) (6) (7) (8) (9) (10) (11) (12)	None
Director LIN, LIANG	• Required work experience in commerce, law, finance, accounting or others required by the business of the Company. • Had once worked as Chairperson & President of Double Bond Chemical Ind. Co., Ltd. • Currently serving as Chairperson of JATDIX INVESTMENTS INTERNATIONAL LIMITED.	(1) (6) (7) (9) (11) (12)	None
Director LEE, KUN-CHANG	• Required work experience in commerce, law, finance, accounting or others required by the business of the Company. • Currently serving as General Manager of HG CO., LTD.	(1) (4) (6) (7) (9) (10)(11) (12)	None
Director LIU, CHIEN-LIANG	• Required work experience in commerce, law, finance, accounting or others required by the business of the Company. • Had once worked as Chairperson & President of Double Bond Chemical Ind. Co., Ltd. • Currently serving as Director of Jatdix Investments International Limited.	(1) (5)(6) (7) (9) (12)	None

Name	Professional Qualification and Experience (Note1)	Status of Independence (Note2)	Number of public companies where the person holds the title as independent director
Independent Director TSAI, KAO- CHUNG	• Required work experience in commerce, law, finance, accounting or others required by the business of the Company. • Had once worked as Underwriting Manager of TAIWAN INTERNATIONAL SECURITIES CO., LTD. • Currently serving as Vice Chairman of Champion Microelectronic Corp.	(1)(2) (3) (4) (5) (6) (7) (8) (9) (10) (11) (12)	2
Independent Director JU, FU-CHEN	• Required work experience in commerce, law, finance, accounting or others required by the business of the Company. • Had once worked as President of TAIWAN STOCK EXCHANGE. • Currently serving as Independent Director & Remuneration Committee of Julien's International Entertainment Group Co., LTD.		2
Independent Director LEE, SHUEI- SHENG	• Required work experience in commerce, law, finance, accounting or others required by the business of the Company. • Had once worked as Deputy manager of South Africa branch and Gaorong Branch, Bank of Taiwan.		None

Note 1: The matters stipulated in all paragraphs of Article 30 of the Company Act do not describe the directors mentioned above. For the academic experiences and position information of the Directors, please refer to 3. Corporate Governance Report (II) Information on directors, supervisors, presidents, vice presidents, assistant managers, and managers of each department and branch.

Note 2: Independence of Directors and Independent Directors in the two years before appointment and during their term. Those who comply will be disclosed above:

- A. Not an employee of the Company or any of its affiliates.
- B. Not a director or supervisor of the Company or any of its affiliates (not applicable in cases where the person is an independent director of the Company, its parent company, subsidiary, or the subsidiary of the same parent company in accordance with the Act or with local laws).
- C. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the company or ranks as one of its top ten shareholders.
- D. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship of a manager in (1) or personnel in (2) and (3).
- E. Not a director, supervisor, or employee of a corporate shareholder that directly holds 5% or more of the Company's outstanding shares, a top five shareholder, or appointed as the Company's director or supervisor in accordance with Article 27, Paragraph 1 or 2 of the Company Act (not applicable in cases where the person is an independent director of the Company, its parent company, subsidiary, or the subsidiary of the same parent company in accordance with the Act or with local laws).
- F. Not a director, supervisor, or employee of other companies controlled by the same person with over half of the Company's director seats or shares with voting rights (not applicable in cases where the person is an independent director of the Company, its parent company, subsidiary, or the subsidiary of the same parent company in accordance with the Act or with local laws).
- G. Not a director, supervisor, or employee of another company or institution who is the same person or spouse of the Company's chairperson, president or equivalent position (not applicable in cases where the person is an independent director of the Company, its parent company, subsidiary, or the subsidiary of the same parent company in accordance with the Act or with local laws).
- H. Not a director, supervisor, or executive officer of a specific company or institution with financial or business dealings with the Company, or shareholder with 5% or more shares of the Company (not applicable in cases where the specific company or institution holds 20% or more but less than 50% of the Company's outstanding shares, and is an independent director of the Company, its parent company, subsidiary, or the subsidiary of the same parent company in accordance with the Act or with local laws).
- I. Not a professional individual who, or an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or institution that audited or provided commercial, legal, financial, or accounting services for total compensation not exceeding NT\$500,000 in the most recent two years to the company or to any affiliate of the

company, or a spouse thereof. This does not apply to members of the Remuneration Committee, Public Tender Offer Review Committee, or Merger and Acquisition Special Committee performing duties in accordance with the Securities and Exchange Act or laws and regulations related to mergers and acquisitions.

- J. Not having a marital relationship, or a relative within the second degree of kinship to any other director of the company.
- K. Not having any of the situations set forth in Article 30 of the Company Act of the ROC.
- L. Not a government agency, juristic person, or its representative set forth in Article 27 of the Company Act of the ROC.

(5) Diversity and independence of the Board of Directors:

A. Diversity of the Board of Directors

The Procedure of Electing Directors states the policy of diversity of board members. For the election of directors, the overall structure of the board of directors shall be considered. Diversity shall be considered in terms of composition of board members. Multiple guidelines shall be properly established based on the operation, business model and developmental needs of the board, and include but are not limited to the standards for the following two aspects:

- a. Basic conditions and values: Sex, age, nationality, culture, etc.
- b. Professional knowledge and skills: Professional background (e.g., law, accounting, industry, finance, marketing or technology), professional skills, industrial experience, etc.

To achieve the ideal goal of corporate governance, the board of directors as a whole shall have the following abilities:

- a. Operating judgement.
- b. Accounting and financial analysis.
- c. Business Management.
- d. Crisis Management.
- e. Industrial Knowledge.
- f. Global Market Perspective.
- g. Leadership.
- h. Decision Making.

Among 7 directors, the current board of directors includes 1 female directors. In selecting the members for the board of directors, the Company has taken into account the professional background and related capabilities of the candidates. The Company also pays attention to the gender of the board of directors, the proportion of female directors

is 14%. The independent directors accounting for 43% of the composition. Their qualifications meet the independence requirements stipulated in the law, and they are familiar with the company's financial and operating conditions. The implementation is as follows:

Director Name	Gender	Judgment	Accounting and Financing	Business Management	Crisis Management	Industrial Knowledge	Global Market Perspective	Leadership	Decision Making
TSAY, MAW-DER	Male	✓	✓	✓	✓	✓	✓	✓	✓
LIU, CHIEN-LIANG	Male	✓	✓	✓	✓	✓	✓	✓	✓
LEE, KUN-CHANG	Male	✓	✓	✓	✓	✓	✓	✓	✓
LIN, LIANG	Female	✓	✓	✓	✓	✓	✓	✓	✓
TSAI, KAO-CHUNG	Male	✓	✓	✓	✓		✓	✓	✓
JU, FU-CHEN	Male	✓	✓	✓	✓		✓	✓	✓
LEE, SHUEI-SHENG	Male	✓	✓	✓	✓		✓	✓	✓

- The specific management objectives of the board diversity policy and their achievement status are as follows:

Diversity management objectives Achievement status	Diversity management objectives Achievement status
The number of independent directors exceeds one third of the board seats	Done
The number of Directors who concurrently serve as Company managers do not exceed one-third of the total director's seats.	Done
At least one seat of directors is female.	Done
Adequate and diverse professional knowledge and skills	Done

- The reason for not meeting the one-third gender representation requirement on the Board of Directors is that, during the current term's election, professional experience was prioritized in the selection process. Moving forward, DBC plans to establish a talent pool of board candidates with diverse backgrounds—including gender and areas of expertise—and will prioritize reserving seats for female candidates.

B. Independence of the Board of Directors:

The selection process of all directors of the Company is open and fair, which meets the Company's "Articles of Incorporation," "Selection Process of Directors," and "Code of Practice for Corporate Governance." The composition of the current board of directors is composed of three independent directors (43%) and four non-independent directors (57%), and none of them fall under the conditions specified in Item 3 and 4 of Clause 3 of

Article 26-3 of the “Securities and Exchange Act.”The Board of Directors of the Company is independent (Please refer to this Annual Report - Disclosure of information on professional qualifications of directors and independence of independent directors).

(II) Information about the presidents, vice presidents, assistant vice presidents and heads of departments and branches:

April 27, 2025; Unit: shares

Title	Nationality	Name	Gender	Date elected / appointed	Shares held		Shares held by spouse and minor children		Shares held by proxy		Major career (academic) achievements	Concurrent positions in other companies	Spouse or relatives of second degree or closer acting as managers			Notes (Note1)
					Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Job Title	Name	Relationship	
President	ROC	CHEN, CHUNG-PIN	Male	2012.01.01	232,752	0.27%	—	—	—	—	Sales manager of BASF Taiwan Ltd. Business manager of ATOTECH TAIWAN LTD Business specialist of CHINA GENERAL PLASTICS CORPORATION Bachelor in chemical engineering, National Tsing Hua University	(Note 2)	N/A	N/A	N/A	N/A
Vice President	China	YOU, JUN-HUA	Male	2021.05.01	—	—	—	—	—	—	Sales Manager of DAFENG XIN YUAN DA CHEMICAL CO., LTD. Shanghai Heping Senior High School	(Note 3)	N/A	N/A	N/A	N/A
Vice President	ROC	CHEN, CHIUNG-TA	Male	2023.01.01	14,104	0.02%	—	—	—	—	Inspection Analyst of SGS TAIWAN PhD Degree in Engineering Technology, National Taipei University of Technology	N/A	N/A	N/A	N/A	N/A
Vice President	China	HUANG, PENG-PENG	Male	2023.08.10	—	—	—	—	—	—	Factory chief of DAFENG XIN YUAN DA CHEMICAL CO., LTD. Department of Applied Chemistry, Yancheng Institute Technology	(Note 4)	N/A	N/A	N/A	N/A
Financial Manager & Corporate Governance Officer	ROC	TSAI, HSUI-HUEI	Female	2015.01.30	147,648	0.17%	—	—	—	—	Accountant in charge of Lai Hsin Industry Co., Ltd. Bachelor in accounting, Chihlee Junior College	(Note 5)	N/A	N/A	N/A	N/A
Accounting manager	ROC	TSAI, JO-YU	Female	2023.10.01	103,527	0.12%	—	—	—	—	Senior Manager, Audit Department, Deloitte Touche Tohmatsu Limited Bachelor of Department of Accounting, National Cheng Kung University	N/A	N/A	N/A	N/A	N/A

Note 1: Where the Company's President or personnel with equivalent position (chief manager) and Chairperson are the same person, spouses or relatives within one degree of kinship, please state the reasons, reasonability, necessity and measures to be taken (e.g. increase the number of Independent Directors and have majority of Directors not serving as employees or managerial officers): None.

Note 2: Chairperson of DBC Switzerland AG, Chairperson of DBC Europe Holding AG, Chairperson of Double Bond Chemical (Thailand) Co., Ltd., Director of DBC KOREA CO., LTD., Chairperson of DBC EUROPE GmbH, Supervisor of PT. Double Bond Chemindo, Director of DAFENG XIN YUAN DA CHEMICAL CO., LTD., Director of DOUBLE BOND CHEMICAL (SHANGHAI) CO., LTD.

Note 3: Director of DOUBLE BOND CHEMICAL (SHANGHAI) CO., LTD.

Note 4: Director of DAFENG XIN YUAN DA CHEMICAL CO., LTD.

Note 5: Supervisor of DAFENG XIN YUAN DA CHEMICAL CO., LTD., Supervisor of DOUBLE BOND CHEMICAL (SHANGHAI) CO., LTD.

2. Remuneration to directors (including independent directors), presidents and vice presidents in the most recent year

(I) Remuneration to directors (including independent directors) for the year ended December 31, 2024

Unit: NT\$ thousand; thousand shares; %

Job Title	Name	Directors' remuneration								Sum of A, B, C and D and as a percentage of after-tax gain		Remuneration received as an employee concurrently								Sum of A, B, C, D, E, F, and G and as a percentage of after-tax gain		Remuneration from invested businesses other than the subsidiaries or Parent Company
		Remuneration(A)		Pension(B)		Remuneration to directors (C)		Fees for services rendered (D)				Salaries, bonuses and special allowance, etc. (E)		Pension (F)		Remuneration to employees (G)						
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
																Amount of cash	Amount of stock	Amount of cash	Amount of stock			
Chairman	TSAY, MAW-DER	3,180	3,367	—	—	—	—	25	25	3,205 -8.6%	3,392 -9.10%	—	—	—	—	—	—	—	—	3,205 -8.60%	3,392 -9.10%	None
Director	LIN, LIANG	—	—	—	—	—	—	25	25	25 -0.07%	25 -0.07%	—	—	—	—	—	—	—	—	25 -0.07%	25 -0.07%	None
Director	LEE, KUN-CHANG	—	—	—	—	—	—	15	15	15 -0.04%	15 -0.04%	—	—	—	—	—	—	—	—	15 -0.04%	15 -0.04%	None
Director	Representative of Jatdix Investments International Limited LIU, CHIEN-LIANG	—	—	—	—	—	—	25	25	25 -0.07%	25 -0.07%	—	—	—	—	—	—	—	—	25 -0.07%	25 -0.07%	None
Independent Director	JU, FU-CHEN	800	800	—	—	—	—	25	25	825 -2.21%	825 -2.21%	—	—	—	—	—	—	—	—	825 -2.21%	825 -2.21%	None
Independent Director	TSAI, KAO-CHUNG	800	800	—	—	—	—	25	25	825 -2.21%	825 -2.21%	—	—	—	—	—	—	—	—	825 -2.21%	825 -2.21%	None
Independent Director	LEE, SHUEI-SHENG	800	800	—	—	—	—	25	25	825 -2.21%	825 -2.21%	—	—	—	—	—	—	—	—	825 -2.21%	825 -2.21%	None
(1) Please state the policy, system, standard and structure of remuneration paid to Independent Directors and the correlation between factors such as responsibilities and risks assumed as well as time contributed and the amount of payment: If the Company is profitable in the year, it shall allocate no more than 5% for the directors' remuneration based on the regulations specified in Article 20 of the Articles of Incorporation and the level of participation and the value of contributions to the Company operations. The procedures for setting the remuneration are determined in accordance with the Company's articles of association and the powers of approval. In addition to the Company's overall operating performance, future business risks, and developmental trends, the Company also refers to the individual's personal achievement and contribution to the Company to provide reasonable remuneration. In addition to performance assessment and reasonableness of remuneration, the Compensation Committee and the Board of Directors also review the remuneration system based on the Company's business operations, statutory compliance and regulatory compliance, so as to strike a balance between the Company's sustainable operation and risk control.																						
(2) Except for information disclosed above, remuneration paid for services rendered by Directors of the Company to all consolidated entities (such as acting as advisors of parent companies/all companies/investees listed in the financial statements who are not an employee thereof) in the most recent year: None.																						

(II) Remuneration to presidents and vice presidents for the year ended December 31, 2024

Unit: NT\$ thousand; thousand shares; %

Job Title	Name	Salary (A)		Pension (B)		Bonus and special allowance, etc. (C)		Remuneration to employees (D)				Sum of A, B, C and D and as a percentage of after-tax gains (%)		Remuneration from invested businesses other than the subsidiaries or Parent Company
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements	
								Amount of cash	Amount of stock	Amount of cash	Amount of stock			
President	CHEN, CHUNG-PIN	3,816	6,898	206	206	704	3,148	—	—	—	—	4,726 -12.67%	10,252 -27.49%	None
Vice President	CHEN, CHIUNG-TA													
Vice President	YOU, JUN-HUA													
Vice President	HUANG, PENG-PENG													

Breakdown of remuneration to presidents and vice presidents

Breakdown of remuneration to each of the Company's presidents and vice presidents	Name of President and Vice President	
	The Company	All companies included in the financial statements
Less than NT\$1,000,000	—	—
NT\$1,000,000 (inclusive)~NT\$2,000,000 (exclusive)	—	—
NT\$2,000,000 (inclusive)~NT\$3,500,000 (exclusive)	CHEN, CHUNG-PIN; CHEN, CHIUNG-TA	CHEN CHUNG-PIN; YOU, JUN-HUA; CHEN, CHIUNG-TA; HUANG, PENG-PENG
NT\$3,500,000 (inclusive)~NT\$5,000,000 (exclusive)	—	—
NT\$5,000,000 (inclusive)~NT\$10,000,000 (exclusive)	—	—
NT\$10,000,000 (inclusive)~NT\$15,000,000 (exclusive)	—	—
NT\$15,000,000 (inclusive)~NT\$30,000,000 (exclusive)	—	—
NT\$30,000,000 (inclusive)~NT\$50,000,000 (exclusive)	—	—
NT\$50,000,000 (inclusive)~NT\$100,000,000 (exclusive)	—	—
NT\$100,000,000 and above	—	—
Total	2	4

(III) Remuneration to the Five Highest Remunerated Management Personnel

Unit: NT\$ thousand; thousand shares; %

Job Title	Name	Salary (A)		Pension (B)		Bonus and special allowance, etc. (C)		Remuneration to employees (D)				Sum of A, B, C and D and as a percentage of net income (%)		Compensation paid to directors from nonconsolidated affiliates or the parent company
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements	
								Amount of cash	Amount of stock	Amount of cash	Amount of stock			
Chairman and Head of R&D	TSAY, MAW-DER	2,731	2,918	—	—	450	450	—	—	—	—	3,181 -8.53%	3,368 -9.03%	—
President	CHEN, CHUNG-PIN	2,220	2,220	108	108	392	392	—	—	—	—	2,720 -7.29%	2,720 -7.29%	—
Vice President	YOU, JUN-HUA	—	1,539	—	—	—	1,821	—	—	—	—	—	3,360 -9.01%	—
Vice President	CHEN, CHIUNG-TA	1,596	1,596	99	99	312	312	—	—	—	—	2,007 -5.38%	2,007 -5.38%	—
Vice President	HUANG, PENG-PENG	—	1,542	—	—	—	624	—	—	—	—	—	2,166 -5.81%	—

(IV) Remuneration to presidents, vice presidents, and assistant vice presidents:

December 31, 2024 ; Unit: NT\$ thousand

	Job Title	Name	Stock Amount	Cash Amount	Total	Percentage of remunerations to net income after tax (%)
Manager	President	CHEN, CHUNG-PIN	—	—	—	—
	Vice President	CHEN, CHIUNG-TA				
	Vice President	YOU, JUN-HUA				
	Vice President	HUANG, PENG-PENG				
	Financial Manager	TSAI, HSUI-HUEI				
	Accounting Manager	TSAI, JO-YU				

(1) Analyze the total remuneration, as a percentage of net income stated in the Company's and consolidated companies' included in the consolidated financial statements in the most recent 2 years to directors (independent directors), presidents and vice presidents and describe remuneration policies, standards, packages, and procedure for determining remuneration, and its linkage to operating performance and future risk.

A. The increase in the percentage of total remuneration to chairperson, president, and vice presidents paid by the Company for the most recent 2 years to net income after tax.

Unit: NT\$ thousand; %

Job Title	Percentage of remunerations to net income after tax for the year 2023(%)		Percentage of remunerations to net income after tax for the year 2024(%)	
	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements
Director	-9.48%	-9.48%	-15.41%	-15.91%
President and Vice Presidents	-8.61%	-14.59%	-12.67%	-27.49%

B. Remuneration policies, standards, packages, and procedure for determining remuneration, and its linkage to operating performance and future risk exposure. If the Company is profitable in the year, it shall allocate no more than 5% for the directors' remuneration based on the regulations specified in Article 20 of the Articles of Incorporation and the level of participation and the value of contributions to the Company operations. The remuneration to presidents and vice presidents including salaries, bonuses, special allowances, remuneration to employees, employee stock warrants and new restricted employee shares, et al.,

shall be set based on the nature of position, responsibility, job title and duty to be assumed by the presidents and vice presidents and also the standards for the remuneration to equivalent job titles applicable in the same trade.

The procedures for setting the remuneration are determined in accordance with the Company's articles of association and the powers of approval. In addition to the Company's overall operating performance, future business risks, and developmental trends, the Company also refers to the individual's personal achievement and contribution to the Company to provide reasonable remuneration. In addition to performance assessment and reasonableness of remuneration, the Compensation Committee and the Board of Directors also review the remuneration system based on the Company's business operations, statutory compliance and regulatory compliance, so as to strike a balance between the Company's sustainable operation and risk control.

3. Status of corporate governance

(I) Operations of the Board of Directors

A total of 5 meetings of the board of directors were held for the year ended December 31, 2024 and the directors' status of attendance are specified as following:

Job Title	Name	Actual attendance	Attendance by proxy	Date of actual attendance (%)	Remarks
Chairman	TSAY, MAW-DER	5	0	100%	The chairman was re-elected on June 28, 2023 and has held the position until now.
Director	LIN, LIANG	5	0	100%	The director was re-elected on June 28, 2023 and has held the position until now.
Director	Representative of Jatdix Investments International Limited LIU, CHIEN-LIANG	5	0	100%	The director was elected on June 28, 2023 and has held the position until now.
Director	LEE, KUN-CHANG	3	2	60%	The director was elected on June 28, 2023 and has held the position until now.
Independent Director	TSAI, KAO- CHUNG	5	0	100%	The independent director was re-elected on June 28, 2023 and has held the position until now.
Independent Director	JU, FU-CHEN	5	0	100%	The independent director was re-elected on June 28, 2023 and has held the position until now.
Independent Director	LEE, SHUEI-SHENG	5	0	100%	The independent director was elected on June 28, 2023 and has held the position until now.

Other notes:

(1) The operation of the board of directors shall state the date, period, content of the proposal, the opinions of all independent directors and the company's opinion on the independent directors if one of the following circumstances occurs:

A. For resolution(s) passed pursuant to Article 14-3 of the Securities and Exchange Act: It's inapplicable because the company had set Audit Committee.

B. Any other resolution(s) passed but with independent directors voicing opposing or qualified opinions on the record or in writing: none.

(2) The actions of the directors with respect to the avoidance of conflict of interest shall be disclosed including the name of the director, the matter, the reasons for the avoidance and the voting and attendance status:

Name of Director	Motion content	Reasons for avoidance	Voting and attendance status
TSAY, MAW-DER	Adjustment of salaries to the chairperson.	The avoiding director as a subject to whom the remuneration is paid to.	Except for the Director who recused themselves from the voting due to conflict of interest, the motion was approved by the remaining Directors in attendance.
TSAY, MAW-DER	Distribution of annual bonus to chairperson for the year 2023.	The avoiding director as a subject to whom the remuneration is paid to.	Except for the Director who recused themselves from the voting due to conflict of interest, the motion was approved by the remaining Directors in attendance.

(3) Performance assessment of the Board:

Frequency	Period	Scope	Method	Details
Annually	January 1, 2024 to December 31, 2024	Performance assessment on the Board	Internal performance assessment of the Board and functional committees 、 Internal performance assessment of the Board members	1. Level of participation in corporate operations. 2. Enhancement on the quality of Board decisions. 3. Composition and structure of the Board. 4. Election and continuing education of Directors. 5. Internal control
		Performance assessment on individual Board members		1. Command over corporate goals and mission. 2. Understanding of Directors' duties. 3. Level of participation in corporate operations. 4. Internal relationship management and communication. 5. Specialty and continuing education of Directors. 6. Internal control
		Performance assessment on functional committees		1. Level of participation in corporate operations. 2. Understanding of functional committees' duties. 3. Enhancement on the quality of functional committees' decisions. 4. Composition of the functional committees and election of members. 5. Internal control.

The Board of Directors and Functional Committees Performance Evaluations of 2024 were reported to the Board of Directors on March 13, 2025. The average score of the overall Board of Directors performance self-evaluation was 4.7 and the average score of the Board of Directors individual member self-evaluation was 4.91 this year, which showed a great improvement. The Directors gave favorable scores, representing the good operations of the entire Board of Directors. The average score of the individual member self-evaluations for the Audit Committee and Remuneration Committee was 4.83 and 4.92, meaning the operations of both committees are complete and both fulfill their duties. (The scores are out of 5)

(4) Measures undertaken during the current year and the past year to strengthen the functions of the Board of Directors (such as the

establishment of an audit committee and improvement of information transparency, etc.) and assessment of their implementations:

The current board of directors of the Company is composed of seven directors, of which three are independent directors. The number of seats, the number of people and the election method for independent directors are in line with relevant regulations, and there are also rules of procedure for the board of directors. In addition, the company has an audit committee and a remuneration committee to enhance corporate governance effectiveness.

The Company shall be responsible for the liability of the directors and key personnel for performing their duties during their terms of office, purchase Directors and Officers Liability Insurance (D&O), and review the contents of the insurance policy regularly. After renewing the insurance every year, the latest report on the insurance amount, insurance coverage, insurance rates, and other important matters is submitted to the board of directors to reduce the risk of directors and companies and establish a sound corporate governance mechanism.

The Company's website contains "Shareholders", "Corporate Governance" and "Environmental, Social, and Governance" to provide relevant information about the company in a timely manner. In addition, the company's website also contains "Stakeholders", which provide stakeholders with transparent and effective communication channels to the Company to pursue sustainable business operations.

In January 2019, the Company passed the performance assessment method of the board of directors and functional committee. After assessing the performance of the members of the board, the board of directors and functional committee, the Company reports the results to the board of directors with a view to improving the operational quality of the board of directors and functional committees.

Attendance status of independent directors in the meetings of the board of directors for the year ended December 31, 2024.◎: Actual attendance; ☆:attendance by proxy; — : not applicable

	Jan. 30	Mar. 14	May. 10	Aug. 09	Nov. 07
TSAI, KAO-CHUNG	◎	◎	◎	◎	◎
JU, FU-CHEN	◎	◎	◎	◎	◎
LEE, SHUEI-SHENG	◎	◎	◎	◎	◎

(II) Status of Audit Committee

(1) Operations of Audit Committee

The audit committee of the Company consists of three independent directors who are responsible for reviewing the appropriateness of the company's financial statements, electing (dismissing) certified public accountants by evaluating their independence and performance, fostering effective implementation of the company's internal control, ensuring the company's compliance with relevant laws and regulations and analyzing the company's existing or potential risks. The Company also formulated an "Organizational Procedures for the Audit Committee" to clarify the authority of the Audit Committee.

A total of 4 meetings of the audit committee were held for the year ended December 31, 2024 and the directors' status of attendance are specified as follows:

Job Title	Name	Actual attendance	Attendance by proxy	Actual attendance rate (%)	Remarks
Independent Director (Convener)	TSAI, KAO-CHUNG	4	0	100%	The independent director was re-elected on June 28, 2024, and has held the position until now.
Independent Director	JU, FU-CHEN	4	0	100%	The independent director was re-elected on June 28, 2024, and has held the position until now.
Independent Director	LEE, SHUEI-SHENG	4	0	100%	The independent director was elected on June 28, 2024, and has held the position until now.
Other notes: A. If any of the following circumstances occur, the dates of meetings, Terms, contents of motion, independent directors' dissenting Opinions, reservations or significant Recommendations, the resolution of the Audit Committee and our company's handling of the Audit Committee's opinions shall be clearly described.					

a. For the items listed in Article 14-5 of the Securities and Exchange Act:

Date/Term of the Audit Committee	Content of motion	Independent directors' dissenting Opinions, reservations or significant Recommendations	Resolution made by the Audit Committee	The Company's handling of the opinions of the Audit Committee
The First Time on 2024.03.14	i. 2023 Annual Business Report and Financial Statements of the Company. ii. Proposal of 2023 Profit and Loss Appropriation. iii. Proposal of 2023 Effectiveness Evaluation of Internal Control System and Declaration of Internal Control System. iv. Proposal for the Appointment of the Company's CPA for Financial Statements and Evaluation of Independence and Competence. v. Audit fee for the certified public accountants of the Company. vi. Proposed Amendments to the Company's "Rules of Procedure for Board Meetings" and "Audit Committee Charter." vii. Proposed Amendments to the Company's "Rules of Procedure for Shareholders' Meetings".	None.	Passed by all commissioners attending the meeting.	Passed by all directors attending the meeting.

Date/Term of the Audit Committee	Content of motion	Independent directors' dissenting Opinions, reservations or significant Recommendations	Resolution made by the Audit Committee	The Company's handling of the opinions of the Audit Committee
The Second Time on 2024.05.10	i. Proposed Change in the Company's Chief Internal Auditor. ii. 2024Q1 Consolidated Financial Statements. iii. Proposal of the Company's Loan of Funds to Indonesia subsidiary PT. Double Bond Chemindo.	None.	Passed by all commissioners attending the meeting.	Passed by all directors attending the meeting.
The Third Time on 2024.08.09	i. Proposal for the Appointment of the Company's Chief Internal Auditor. ii. 2024Q2 Consolidated Financial Statements.			
The fourth Time on 2024.11.07	i. 2024Q3 Consolidated Financial Statements. ii. 2025 Annual Audit Plan. iii. Proposal for the Establishment of the "Sustainability Information Management Procedures".			
b. Other matters that have not been approved by the Audit Committee but have been approved by more than two-thirds of all directors, except for the pre-opening matters: None.				
B. The actions of the directors with respect to the avoidance of conflict of interest are disclosed including the name of the director, the matter, the reasons for the avoidance and the voting and attendance status: None.				

C. Communication between independent directors and internal audit supervisors & accountants (which shall include major issues, methods and results for communicating the company's finances and business conditions):

a. Independent directors shall review the audit report submitted by the audit department monthly.

b. During each audit committee meeting, the audit supervisor shall submit the business report to the independent directors by communicating the implementation and effectiveness of the audit business and address the issues of concern proposed promptly during the meeting. Communications between Independent Directors and internal auditors are summarized as follows:

Date	Details	Outcome
The First Time on 2024.03.14	i. Internal audit items from October 2023 to January 2024. ii. Assessment on the effectiveness of internal control system for 2023 and 2023 “Statement of Internal Control System”.	i. Reported at the Audit Committee meeting and then the Board meeting. ii. Submitted to the Board once approved.
The Second Time on 2024.05.10	Internal audit items from February to March 2024.	Reported at the Audit Committee meeting and then the Board meeting.
The Third Time on 2024.08.09	Internal audit items from April to June 2024.	Reported at the Audit Committee meeting and then the Board meeting.
The fourth Time on 2024.11.07	i. Internal audit items from July to September 2024. ii. 2025 audit plan.	i. Reported at the Audit Committee meeting and then the Board meeting. ii. Submitted to the Board once approved.

c. Each year, the accountants audit the annual financial statements and communicate with independent directors on their audit findings, risk assessments, key audits, implementations, and results. Communications between Independent Directors and CPAs are summarized as follows:

Date	Details	Outcome
2024.01.30 Independent Directors and CPAs meeting	i. Responsibilities of Governing Units. ii. Deloitte & Touche CPAs. iii. Audit Method and Scope. iv. Situation of the Group Audit. v. Types of Reports to be Issued. vi. Pre-planned Key Audit Matters for This Year.	Communicated and discussed with Independent Directors. Independent directors have no opinions and no suggestions.
2024.03.14 Independent Directors and CPAs meeting	i. Audit Method and Scope. ii. Situation of the Group Audit. iii. Significant Risk and Key Audit Matters. iv. Summary of Audit Conclusion. v. Audit Quality Indicator Information.	Communicated and discussed with Independent Directors. Independent directors have no opinions and no suggestions.

	Date	Details	Outcome
	2024.11.07 Independent Directors and CPAs meeting	i. Responsibilities of Governing Units. ii. Audit Method and Scope. iii. Situation of the Group Audit. iv. Types of Reports to be Issued. v. Pre-planned Key Audit Matters for This Year.	Communicated and discussed with Independent Directors. Independent directors have no opinions and no suggestions.
d. As necessary, the independent directors may communicate directly with the audit supervisor and accountant by email, phone or meeting.			

(III) The status of the Company's implementation of corporate governance, any departure of such implementation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reason for any such departure:

Assessment criteria	Operation			Difference from corporate governance practice principles for TWSE/GTSM-Listed companies and reasons
	Yes	No	Summary Description	
(1) Has the Company established and disclosed its corporate governance principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"?	✓		The Company has established its "Corporate Governance Best-Practice Principles" which is disclosed in the Company's official website and Market Observation Post System (MOPS).	No significant discrepancy.
(2) Shareholding structure and shareholders' interests				
A. Has the Company defined some internal operating procedures to deal with suggestions, questions, disputes and legal actions from shareholders, and implemented the procedure?	✓		A. In accordance with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies", the Company has established a spokesperson system to deal with shareholder suggestions, doubts or disputes and a dedicated mailbox in the investor's section of the Company's official website to deal with relevant matters of the stakeholders.	No significant discrepancy.
B. Whether or not the Company has a roster of its major,	✓		B. Each month, the Company declares changes in the shareholdings of major shareholders pursuant to laws	No significant discrepancy.

Assessment criteria	Operation			Difference from corporate governance practice principles for TWSE/GTSM-Listed companies and reasons
	Yes	No	Summary Description	
controlling shareholders as well as controllers?			and regulations and checks whether the shareholder registers are consistent with the shareholder's roster every time the book is closed to keep track of the major shareholders' shareholding status in a timely manner.	
C. Has the Company established or implemented risk control and firewall mechanisms between the Company and its affiliates?	✓		C. According to laws and regulations, the Company has already established a relevant controlling mechanism within the internal control system so that the transaction between the Company and its affiliates can be carried out in accordance with laws and regulations.	No significant discrepancy.
D. Has the Company established internal regulations to prohibit insiders from applying information undisclosed to the market in securities trading?	✓		D. The Company has established "Codes of Ethical Conduct", "Operating Procedures for Handling Internal Material Information and Preventing Insider Trading" and "Code of Practice and Conduct for Integrity Operations" to prevent the directors, managers, and employees of the Company from violating relevant provisions regarding internal transactions due to their unfamiliarity with the given laws and regulations.	No significant discrepancy.
(3) Organization and responsibilities of				

Assessment criteria	Operation			Difference from corporate governance practice principles for TWSE/GTSM-Listed companies and reasons
	Yes	No	Summary Description	
the Board of Directors				
A. Does the Board establish a diversity policy, specific management goals and implemented it accordingly?	✓		A. Diversity of board members is stipulated in the Company's Code of Practice for Corporate Governance and fully implemented. Please refer to the "Diversity and independence of the Board of Directors" section of this annual report.	No significant discrepancy.
B. Other than the Remuneration Committee and Audit Committee, has the Company taken the initiative to set up a variety of other functional committees?		✓	B. The Company has not yet taken the initiative to set up a variety of functional committees other than the Remuneration Committee and Audit Committee.	Estimated to be set in accordance with the statutory, regulatory, and business requirements progressively.
C. Has the Company set up regulations and methods to evaluate the performance by the board of directors, conduct evaluation of performance on an annual basis, submit performance evaluation results to the Board, and use the results as a basis for	✓		C. According to the "Practices Governing the Performance Evaluation of Board of Directors and Functional Commission", the Company conducts an evaluation of performance on the operations of the members of the board, the board of directors, audit committee and remuneration committee before reporting the final result to the remuneration committee and the board of directors. At the beginning of 2025, the 2024 performance evaluation	No significant discrepancy.

Assessment criteria	Operation			Difference from corporate governance practice principles for TWSE/GTSM-Listed companies and reasons
	Yes	No	Summary Description	
determining the remuneration and nomination of individual directors? D. Whether or not the Company has a regular evaluation of the independence of Certified Public Accountants?	✓		of the Board of Directors has been completed, and the evaluation results have been submitted to the Board of Directors on March 13, 2025, which shows that the directors of the Company have positive comments on the efficiency and effectiveness of the operation of various indicators, while the overall operation of the Board of Directors, the Audit Committee and the Remuneration Committee of the Company is qualified and in line with corporate governance. D. Each year, the Company evaluates the independence and competence of its certified public accountants in accordance with the indicators including whether the accounting firm has financial interests, financing guarantees or business relationships with the Company; whether audit team members and their families have employment relationships and gifts or special offers (bribery) among themselves; whether the professionalism and credibility of the certified public accountants meet the needs of the Company, etc. CPA along with the accounting firm were asked to	No significant discrepancy.

Assessment criteria	Operation			Difference from corporate governance practice principles for TWSE/GTSM-Listed companies and reasons
	Yes	No	Summary Description	
			issue an independent auditor's report, which was evaluated by the Financial Department before the evaluation results were reported to the Board of Directors on March 13, 2025.	
(4) Does the public company have a suitable number of competent corporate governance personnel, and has it appointed a corporate governance supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their duties, assisting directors and supervisors with regulatory compliance, handling matters related to Board meetings and shareholders' meetings, and preparing proceedings for Board meetings and shareholders' meetings)?	✓		In order to implement corporate governance, the Board of Directors on March 24, 2023, approved the appointment of Financial Manager TSAI, HSUI-HUEI as the Company's corporate governance supervisor, which is the highest supervisor on corporate governance related matters. Key responsibilities: (1) Organize board meetings and general meetings according to the law. (2) Compile board meeting and general meeting minutes. (3) Help directors take office and participate in continuing education. (4) Provide business information for directors as needed for performing their duties. (5) Assist directors with legal compliance.	No significant discrepancy.

Assessment criteria	Operation			Difference from corporate governance practice principles for TWSE/GTSM-Listed companies and reasons
	Yes	No	Summary Description	
			(6) The review results of whether the independent director's qualifications during nomination, appointment, and their term of service comply with the relevant laws and regulations are reported to the Board of Directors. (7) Handle matters related to the change of directors. (8) Other duties pursuant to the Articles of Incorporation or other contracts.	
(5) Has the Company provided proper communication channels with stakeholders (including but not limited to, shareholders, employees, customers and suppliers, etc.), and created dedicated sections on its website to address corporate social responsibility issues that are of significant concern to stakeholders?	✓		The Company's website has set up the dedicated sections for stakeholders. If stakeholders have any needs, they may contact the unit in charge of the Company at any time so that the Company can deal with the matters in a proper way given the conditions at that time.	No significant discrepancy.
(6) Has the Company appointed a	✓		The Company changes its agent for stock affairs on	No significant

Assessment criteria	Operation			Difference from corporate governance practice principles for TWSE/GTSM-Listed companies and reasons
	Yes	No	Summary Description	
professional shareholder's service agent to process the affairs related to shareholders' meetings?			March 1, 2021, from Division of Stock Affair, SinoPac Securities to Division of Stock Affairs, Yuanta Securities.	discrepancy.
(7) Information disclosure				
A. Has the Company established a website that discloses financial, business, and corporate governance-related information?	✓		A. The Company set up the website at http://www.dbc.com.tw/ to disclose financial, business and corporate governance-related information in a transparent manner. In accordance with the regulations of the competent authority, the Company declares and announces relevant information on time in the Market Observation Post System (MOPS).	No significant discrepancy.
B. Has the Company adopted other means to disclose information (i.e. English website, assignment of specific personnel to collect and disclose corporate information, implementation of a spokesperson system, broadcasting of investor conferences via the Company	✓		B. With spokesperson and proxy set in accordance with the laws & regulations, the Company designated a person to be responsible for the disclosure of various financial, business and company website information in the Market Observation Post System (MOPS); For the relevant information of the legal person briefing session, a link connected to the Market Observation Post System (MOPS) was made available.	No significant discrepancy.

Assessment criteria	Operation			Difference from corporate governance practice principles for TWSE/GTSM-Listed companies and reasons
	Yes	No	Summary Description	
website)? C. Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?	✓		C. The Company announces and reports annual financial statements within two months after the end of each fiscal year, and announces and reports Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit.	No significant discrepancy.

(8) Does the Company have other information that enables a better understanding of the Company's corporate governance practices?

Yes, descriptions are provided as follows:

A. Employment relations (employee interest and right):

Please refer to the employment relations section of this annual report.

B. Investor relations:

The Company establishes a spokesperson (proxy) system that responds to shareholder suggestions and doubts so that they are better able to understand business performance and operating status of the Company. Each year, the shareholders' meeting is also convened in accordance with the provisions of the Company Act and relevant laws and regulations so that the shareholders are given ample opportunity to make full proposals or ask questions.

The Company assigns dedicated personnel to announce and report relevant information to the Market Observation Post System

(MOPS) in accordance with the laws and regulations, so that the investors are able obtain relevant information of the Company immediately.

C. Supplier Relations:

The Company adheres to the principles of equality and reciprocity to establish partnerships with suppliers. Supplier evaluations are carried out in accordance with the internal system to achieve product supply of higher quality.

D. Stakeholders' rights:

The Company discloses Company information pursuant to laws and regulations and establishes a stakeholder section on the Company's official website so that a communication channel is provided between the stakeholders and relevant business personnel of the Company.

The Company also establishes a reporting system, a reporting mailbox and an employee complaints mailbox to encourage colleagues or interested parties to express their opinions or report violations.

E. Continuing education of directors and independent directors:

According to "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies", the Company arranges financial, business, corporate governance and legal and other related continuing education for directors. Please refer to the Market Observation Post System (MOPS)-continuing education of directors and independent directors for the dates, courses and hours of study.

F. Implementation of risk management policies and risk evaluation standards:

Please refer to the risk assessment and analysis section of this annual report.

G. Implementation of customer policy:

Through the usual feedback and satisfaction surveys with our customers, we understand our customers' needs and make improvements based on our customers' advice.

H. Insuring against the liabilities of the Company's directors and independent directors:

To reduce the risk and diversify the risk of significant damage to the company and its shareholders due to the directors and key personnel's mistakes or carelessness, the Company has insured against liabilities of the Company's directors and independent directors and submitted a report to the Board of Directors.

Insured	Insurance Company	Insured Amount	Insured Period
All directors and key personnel	AIG Taiwan	USD 10 million	From March 1, 2024 to March 1, 2025

I. Please explain the improvements made and the prioritized enhancements and measures for the improvement yet to be made according to the corporate governance assessment results reported by TWSE Corporate Governance Center in the most recent year:

Item	Status of Improvement
Improved	Disclose the specific measures taken to implement the prohibition of insider trading (the dates of training sessions conducted for all employees and insiders have been disclosed).
Priorities measures to reinforce	Disclose the annual greenhouse gas emissions, water consumption, and total weight of waste for the past two years.

(IV) If a company sets up a remuneration committee, it shall disclose its composition, responsibilities and operation:

On August 12, 2016, the board of directors of the Company passed the establishment of the Remuneration Committee and formulated the “Remuneration Committee Charter” to clarify the duties of the Remuneration Committee. It is expected that the Remuneration Committee assesses and reviews the remuneration policies, systems, and performance of directors and managers in a professional and objective manner.

(1) Members of the Remuneration Committee

Title	Name	Qualifications and Experience	Independence	Number of Other Public Companies in which the Member also Serves as an on the Compensation Committee
Independent Director (Convener)	TSAI, KAO-CHUNG	Please refer to the "Disclosure of Professional Qualifications of Directors and Independence of Independent Directors" form on page 9 to page 10.		2
Independent Director	JU, FU-CHEN			2
Independent Director	LEE, SHUEI-SHENG			—

(2) Operations of Remuneration Committee

A. Remuneration Committee of the Company is composed of 3 members.

B. The term of office held by the current committee members: From June 28, 2023 to June 27, 2026. For the year ended December 31, 2024, the Remuneration Committee held 2 meetings where the qualification and attendance of the Remuneration Committee members are as follows:

Job Title	Name	Actual Attendance	Attendance by Proxy	Actual Attendance Rate (%)	Remarks
Convener	TSAI, KAO-CHUNG	2	0	100%	The independent director was re-elected on June 28, 2023, and has held the position until now.
Commissioner	JU, FU-CHEN	2	0	100%	The independent director was re-elected on June 28, 2023, and has held the position until now.
Commissioner	LEE, SHUEI-SHENG	2	0	100%	The independent director was elected on June 28, 2023, and has held the position until now.

Other items to be recorded:

- a. If the Board of Directors does not adopt or amend the Remuneration Committee's suggestions, please specify the meeting date, term, contents of motion, resolution of Board of Directors, and the Company's handling of the Remuneration Committee's opinions (if the remuneration approved by the Board of Directors is superior than that suggested by the Remuneration Committee, please specify the discrepancy and reason): none.
- b. For resolution(s) made by the Remuneration Committee with the committee members voicing opposing or qualified opinions on the record or in writing, please state the meeting date, term, contents of motion, opinions of all members and the Company's handling of the said opinions: none.

c. Discussions and resolutions made by the Remuneration Committee:

Remuneration Committee	Motion content	Resolution made by the Remuneration Committee	The Company's handling of the opinions of the Remuneration Committee
The First Time on January 30, 2024	i. Review the various remuneration projects to be carried out by the Company in 2024. ii. Salary adjustment for the Chairperson. iii. Year-end bonus distribution to the Chairperson in 2023. iv. Salary adjustment for the managers. v. Year-end bonus distribution to the managers in 2023.	Passed by all commissioners attending the meeting.	Passed by all directors attending the meeting.
The Second Time on November 24, 2024	i. Proposal for the compensation and remuneration items planned for implementation in 2025.		

(V) Corporate Governance Implementation Status and Deviations from “ Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” :

Evaluation Item	Implementation Status			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Company
	Yes	No	Summary description	
(1) Does the Company have a governance structure for promoting sustainable developments and exclusively (or concurrently) dedicated units to oversee proposing and enforcing sustainable development, and let the Board of Directors entrust the high-ranking management with the implementation and supervising the status?	✓		The Company promotes a sustainable development structure, and has set up a sustainable development committee, with the general manager as the general convener. Each group member is composed of the directors of each unit, who take responsibility for the formulation of the company’s sustainable development objectives and strategies, the promotion and supervision of the sustainable development work, the preparation and verification of the sustainable report and other matters related to the company’s sustainable development efforts. The committee actively promotes corporate governance, social welfare, sustainable environment and other issues, and reports the implementation progress of sustainable development to the board of directors at least once a year. On March 24, 2022, the Board of Directors passed the "Sustainability Report Preparation and Verification Operating Procedures" based on the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" and	No significant discrepancy.

Evaluation Item	Implementation Status			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Company
	Yes	No	Summary description	
			instructed the Sustainable Development Team to implement the procedures. The Company published the 2023 Sustainability Report in 2024. The specific implementation plan and results can be found on this report. The ESG Sustainable Development Team reported its performance and key findings to the Board of Directors on August 9, 2024.	
(2) Does the company follow principles of materiality in evaluating the risks of environmental, social, and corporate governance, and establish relevant policies or strategies?	✓		The Company has formulated Sustainable Development Best Practice Principles. To ensure the implementation of sustainable strategies, relevant departments will assess risk issues, their impacts and impact levels, and formulate appropriate countermeasures so that the Company can effectively maintain and control relevant potential risks while ensuring the achievement of strategic objectives. The Company's Sustainable Development implementation results and detailed content are disclosed in the Company's Annual ESG Report.	No significant discrepancy.

Evaluation Item	Implementation Status			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Company								
	Yes	No	Summary description									
			Seven major themes identified in 2023 as follow:<table><tr><th>Important issue</th><th>Item</th></tr><tr><td>Environmental</td><td>Hazardous substances management, Waste management,</td></tr><tr><td>Social</td><td>Talent attraction and retention, Occupational health and safety</td></tr><tr><td>Corporate governance</td><td>Ethical business practices, Business performance, Technological innovation</td></tr></table>	Important issue	Item	Environmental	Hazardous substances management, Waste management,	Social	Talent attraction and retention, Occupational health and safety	Corporate governance	Ethical business practices, Business performance, Technological innovation	
Important issue	Item											
Environmental	Hazardous substances management, Waste management,											
Social	Talent attraction and retention, Occupational health and safety											
Corporate governance	Ethical business practices, Business performance, Technological innovation											
(3) Environmental issues A. Has the Company developed an appropriate environmental management system, given its distinctive characteristics?	✓		A. Maintaining the working environment and natural environment in accordance with industry-related laws and regulations, the Company not only entrusts professional treatment organizations to handle waste generated from the production process but also provides employees with training courses on occupational safety and environmental management.	No significant discrepancy.								

Evaluation Item	Implementation Status			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Company
	Yes	No	Summary description	
B. Has the company made efforts to improve the efficiency of resources utilization and use recycled materials which have a low impact on the environment?	✓		B. Committed to developing ecofriendly products and promoting environmental protection, the Company takes actions to sort garbage, use recycled papers, bring ecofriendly tableware, and improve the efficient use of various resources.	No significant discrepancy.
C. Does the company evaluate potential risks and opportunities brought by climate change, and take response measures to climate-related issues?	✓		C. Faced with the irresistible increase in energy and environmental protection costs caused by climate change, to slow down and adapt to the changes made by climate change, the Company is committed to designing energy-saving and carbon-reducing products, keeping the products in line with the regulations of green products and customer requirements, and cooperating with the government's energy-saving policies.	No significant discrepancy.
D. Has the company compiled statistics on its greenhouse gas emissions, water consumption, and total waste output over the past two	✓		D. a. Greenhouse Gas Emissions: The company plans to conduct a greenhouse gas inventory in 2026. b. Water Consumption: The company has long been committed to water	No significant discrepancy.

Evaluation Item	Implementation Status			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Company												
	Yes	No	Summary description													
years, and established policies for greenhouse gas reduction, water conservation, or other waste management practices?			conservation, energy efficiency, and environmental protection. It actively promotes water-saving awareness and resource conservation, while implementing effective wastewater management. All wastewater is discharged into the sewage system in compliance with regulatory standards. <u>Water Usage and Discharge Over the Past Two Years</u> <table><tr><td>Item / Year</td><td>2023</td><td>2024</td></tr><tr><td>Water Withdrawal (million liters)</td><td>26.110</td><td>24.833</td></tr><tr><td>Wastewater Discharge (million liters)</td><td>10.656</td><td>13.504</td></tr><tr><td>Water Consumption (million liters)</td><td>15.454</td><td>11.329</td></tr></table> In 2024, water consumption decreased by 4.125 million liters compared to 2023.	Item / Year	2023	2024	Water Withdrawal (million liters)	26.110	24.833	Wastewater Discharge (million liters)	10.656	13.504	Water Consumption (million liters)	15.454	11.329	
Item / Year	2023	2024														
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Evaluation Item	Implementation Status			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Company												
	Yes	No	Summary description													
			<u>Yilan Plant Effluent Water Quality Monitoring Results (2024)</u> <table><tr><th>Item</th><th>Suspended Solids (SS)</th><th>Chemical Oxygen Demand (ppm)</th><th>pH</th></tr><tr><td>Lize Industrial Zone Discharge Standard</td><td>320 SS</td><td>480 ppm</td><td>6–9</td></tr><tr><td>2024</td><td>3.5 SS</td><td>38.1 ppm</td><td>7.8</td></tr></table> Effluent from the Yilan Plant is sampled and tested semi-annually. All results in 2024 complied with the discharge standards of the Lize Industrial Zone. c. Waste Management: In compliance with government regulations, the company collaborates with licensed waste disposal and treatment contractors to manage its waste.	Item	Suspended Solids (SS)	Chemical Oxygen Demand (ppm)	pH	Lize Industrial Zone Discharge Standard	320 SS	480 ppm	6–9	2024	3.5 SS	38.1 ppm	7.8	
Item	Suspended Solids (SS)	Chemical Oxygen Demand (ppm)	pH													
Lize Industrial Zone Discharge Standard	320 SS	480 ppm	6–9													
2024	3.5 SS	38.1 ppm	7.8													

Evaluation Item	Implementation Status			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Company																																																						
	Yes	No	Summary description																																																							
			<u>Total Waste Volume Over the Past Two Years</u> Unit: Metric Tons <table> <tr> <th>Category</th><th>Code</th><th>Waste Type</th><th>2023</th><th>2024</th></tr> <tr> <td rowspan="5">Hazardous</td><td>C-0301</td><td>Non-halogenated organic waste liquid</td><td>2.830</td><td>4.960</td></tr> <tr> <td>B-0199</td><td rowspan="3">Mixed chemical substances or waste containers</td><td rowspan="3">0.050</td><td rowspan="3">0.050</td></tr> <tr> <td>B-0299</td></tr> <tr> <td>B-0399</td></tr> <tr> <td>C-0105</td><td>Hexavalent chromium compounds</td><td>0.004</td><td>0</td></tr> <tr> <td></td><td></td><td>Subtotal (Metric Tons)</td><td>2.884</td><td>5.010</td></tr> <tr> <td rowspan="7">Non-Hazardous</td><td>D-0202</td><td>Waste resin</td><td>0.220</td><td>0.603</td></tr> <tr> <td>D-0299</td><td>Mixed plastic waste</td><td>6.400</td><td>3.730</td></tr> <tr> <td>D-1504</td><td>Non-hazardous organic waste liquid or solvent</td><td>78.996</td><td>643.141</td></tr> <tr> <td>D-1505</td><td>Wastewater with pH < 6.0</td><td>0</td><td>35.93</td></tr> <tr> <td>D-1506</td><td>Wastewater with pH between 6.0–9.0</td><td>0</td><td>299.47</td></tr> <tr> <td>R-2408</td><td>Waste activated carbon</td><td>0</td><td>0</td></tr> <tr> <td>D-2399</td><td>Generally mixed chemical waste</td><td>0</td><td>40.360</td></tr> </table>	Category	Code	Waste Type	2023	2024	Hazardous	C-0301	Non-halogenated organic waste liquid	2.830	4.960	B-0199	Mixed chemical substances or waste containers	0.050	0.050	B-0299	B-0399	C-0105	Hexavalent chromium compounds	0.004	0			Subtotal (Metric Tons)	2.884	5.010	Non-Hazardous	D-0202	Waste resin	0.220	0.603	D-0299	Mixed plastic waste	6.400	3.730	D-1504	Non-hazardous organic waste liquid or solvent	78.996	643.141	D-1505	Wastewater with pH < 6.0	0	35.93	D-1506	Wastewater with pH between 6.0–9.0	0	299.47	R-2408	Waste activated carbon	0	0	D-2399	Generally mixed chemical waste	0	40.360	
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Evaluation Item	Implementation Status			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Company
	Yes	No	Summary description	
			and is expected to complete the audit and verification process by June 2025.	
(4) Social issues				
A. Has the Company developed its policies and procedures in accordance with laws and the International Bill of Human Rights?	✓		A. In accordance with the Labor Standards Act and other labor laws and regulations, the Company has established various management measures to protect employees' legitimate labor rights and set up an employee welfare committee to organize various employee welfare activities.	No significant discrepancy.
B. Does the company have reasonable employee benefit measures (including salaries, leave, and other benefits), and do business performance or results reflect on employee salaries?	✓		B. The Company has established a Salary and Remuneration Committee to regularly review the policies, systems, standards and structure of operating performance and remuneration to appropriately reflect the operating results in employee remuneration. In addition, the Company sets up a Staff Welfare Committee to formulate, implement the Articles of Association of the staff committee and related measures, and implement reasonable staff welfare measures in accordance with government labor acts and regulations.	No significant discrepancy.
C. Does the Company provide employees with a safe and	✓		C. To provide a good working environment and maintain occupational safety and health of the employees, the	No significant discrepancy.

Evaluation Item	Implementation Status			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Company
	Yes	No	Summary description	
healthy work environment? Are employees trained regularly on safety and health issues? D. Has the Company implemented an effective training program that helps employees develop skills over	✓		Company adopts the following policies: a. Education and training on occupational safety & health and machinery operations when newcomers are onboarding. b. Provide all employees with occupational safety and health training program and hold firefighting lectures (drills) at least once a year. c. Perform workplace hazard assessment and set relevant work safety rules. d. Conduct inspection according to the frequency preset for each machine and equipment. e. Arrange employee health examinations every two years. For the year ended December 31, 2024, the Company has no occupational injuries or fires. D. The Company provides professional education and training programs internally and externally to cover various themes including workplace competencies and skills & expertise required for different hierarchical levels of different domains	No significant discrepancy.

Evaluation Item	Implementation Status			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Company
	Yes	No	Summary description	
their career? E. Does the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer protection and grievance procedure policies implemented?	✓		to enrich the employees' lifelong career. E. The Company is engaged in the research, development, manufacturing, and sales of various products such as plastic additives, UV curable materials, digital printing materials and electronic chemicals by setting strict standards for the production process and pasting relevant product information on the packages. "Product identification and traceability procedures" and "customer complaint management procedures" are also made available to regulate the handling of customer complaints. The Company places great importance on the rights of stakeholders and the service satisfaction level. Thus, we have a stakeholder section within the corporate website as a complaint channel for customers. At the same time, it allows us to receive stakeholder feedback at any time and address their concerns with care.	No significant discrepancy.
F. Has the Company formulated supplier management policies that require suppliers to	✓		F. Before the Company and supplier cooperate, the supplier is required to fill out a "supplier basic information form". In addition to the indicators such as quality and delivery, the	No significant discrepancy.

Evaluation Item	Implementation Status			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Company
	Yes	No	Summary description	
follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and the implementation results?			purchasing unit also gives an objective assessment of whether the supplier has caused significant impacts against the environment or society in the past. At present, the fulfillment of corporate social responsibility listed on the supplier appraisal form is taken as a standard for the Company to decide whether to cooperate with the supplier. When the supplier violates its corporate social responsibilities and causes significant impacts against the environment or society, the Company may suspend or terminate the cooperation at any time.	
(5) Whether the Company referred to the reporting standards or guidelines which are accepted internationally for compiling reports which disclosed the non-financial information of the Company, such as the ESG reports? Whether the previous report obtained the assurance	✓		Our corporate social responsibility report was prepared according to the core options of GRI Sustainability Reporting Standards (GRI Standards) issued by the Global Reporting Initiative (GRI). The Corporate Social Responsibility Report of 2023 was obtained by a third-party verification unit. This report is guaranteed according to the core options of the GRI standard and the AA1000 assurance standard. It was uploaded to the Market Observation Post System and	No significant discrepancy.

Evaluation Item	Implementation Status			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Company
	Yes	No	Summary description	
or verification statement of a verification unit from the third party?			group website on August 22, 2024.	
(6) If the Company has established the ESG principles based on " Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies ", please describe any discrepancy between the principles and their implementation: none.				
(7) Other important information to facilitate better understanding of the Company's ESG practices: Please refer to the Company website: http://www.dbc.com.tw/tw/				

Climate-Related Information of TWSE / TPEX-Listed Company

1. Implementation of Climate-Related Information

Item	Implementation Status
(1) Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	To address climate-related risks and opportunities, our company has established the Sustainable Development Committee and its functional subcommittees to be responsible for planning and implementing sustainable development and climate change strategies. The General Manager serves as the chairperson of the Committee and continuously monitors the achievement of each goal. Our company annually submits the Sustainability Report, along with ESG performance results and the annual risk management results report, to the Board of Directors for their supervision and guidance. In addition, to ensure the governance of climate change management strategies, the Board of Directors continuously monitors the progress of greenhouse gas inventory and verification schedules on a quarterly basis to align with international trends and implement carbon reduction plans.
(2) Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	Our company comprehensively considers climate change trends and operational conditions to identify climate risks and opportunities and their impacts. Please refer to our company's Sustainability Report for more information.
(3) Describe the financial impact of extreme weather events and transformative actions.	Our company has assessed the impact of key climate change issues on our operating revenue and operating costs and has developed relevant strategies. Please refer to our company's Sustainability Report for more information.
(4) Describe how climate risk identification, assessment, and management processes are integrated into the overall risk	Our company's approach to climate change management involves discussions and assessments by the Sustainable Development

Item	Implementation Status
management system.	Committee to ensure that all significant climate-related risks and opportunities are properly evaluated and addressed. Additionally, in accordance with the Risk Management Policy and Procedures, we have established a Risk Management Committee. Each operating unit is responsible for identifying, analyzing, assessing, and responding to risks within its purview. The Committee also establishes relevant crisis management mechanisms as needed to address the impacts of global climate change. The Risk Management Committee integrates climate-related risks into its risk identification process to ensure that climate change management is seamlessly integrated into the overall risk management system.
(5) If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	None.
(6) If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	None.
(7) If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	None.
(8) If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy	None.

Item	Implementation Status
certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	
(9) Greenhouse gas inventory and assurance status.	The schedule applicable to our company is as follows: (1) The parent company entity shall conduct a greenhouse gas inventory from 2026 and verification from 2028. (2) Consolidated financial reporting subsidiaries shall conduct a greenhouse gas inventory from 2027 and verification from 2029. (3) Our company shall disclose carbon reduction targets, strategies, and specific action plans from 2027.

(VI) Implementation of Ethical Corporate Management and Deviations from the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons:

Item	Operation			Deviation and causes of deviation from Integrity Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
(1) Establishment of integrity policies and solutions A. Did the company establish an ethical corporate management policy that was approved by the	✓		A. The Board of Directors has passed the establishment of the "Ethical Corporate Management Best Practice Principles" to include ethical corporate management	No significant discrepancy.

Item	Operation			Deviation and causes of deviation from Integrity Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
Board of Directors, and declare its ethical corporate management policy and methods in its regulations and external documents, as well as the commitment of its Board and management to implementing the management policies? B. Does the company establish mechanisms for assessing the risk of unethical conduct, periodically analyze and assess operating activities within the scope of business with relatively high risk of unethical conduct, and formulate an unethical conduct prevention plan on this basis, which at least includes preventive measures for conduct specified in Article 7,	✓		policies, commitments, and executions on September 8, 2016. Through the other aspects of the monthly meeting, the management team propagates the concept of ethical management to employees and places the “Ethical Corporate Management Best Practice Principles” on the company website for stakeholders to refer to. B. In addition to the establishment of “Codes of Ethical Conduct” and “Codes of Ethical Conduct for Employees”, the Company has periodically analyzed and assessed operating activities within the scope of business with relatively high risk of unethical conduct and set precautionary measures for Paragraph 2 of Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies” or business conducts that are prone to integrity risks and promotes relevant corporate ethics to employees from time to time.	No significant discrepancy.

Item	Operation			Deviation and causes of deviation from Integrity Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies? C. Did the company specify operating procedures, guidelines for conduct punishments for violation, rules of appeal in the unethical conduct prevention plan, and does it implement and periodically review and revise the plan?	✓		C. The Company has formulated the “Procedures for Ethical Management and Guidelines for Conduct” to include all the specifications before placing it on the Company website. In addition, the Company also formulated the rewards and punishments system in the management regulations to regulate the behavior of employees while developing a reporting system and setting up multiple complaint channels for interested parties to use.	No significant discrepancy.
(2) Fulfillment of ethical corporate management A. Does the Company evaluate the integrity of all counterparts it has business relationships with? Are there any clauses of integrity in the	✓		A. The Company conducts business activities in a fair and transparent manner, performs customer credit investigations and supplier evaluation before starting a business relationship, and signs a commitment to	No significant discrepancy.

Item	Operation			Deviation and causes of deviation from Integrity Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
agreements it signs with business partners?			integrity with the supplier.	
B. Has the Company established a dedicated department under the Board to promote ethical conducts and periodically report (at least once per year) its ethics policies and preventive schemes for unethical conducts as well as implementation status to the Board of Directors?	✓		B. The audit office of the Company is responsible for the development and supervision of ethical corporate management procedures and behavioral guidelines and reports to the board of directors as necessary. There was no major unethical conduct in 2023.	No significant discrepancy.
C. Whether or not the Company defines any policy against conflict of interest, provides adequate channel thereof, and fulfills the same precisely?	✓		C. The Company formulates regulations to prevent conflicts of interest in the Codes of Ethical Conduct and the Ethical Corporate Management Best Practice Principles. For conflicts of interest, the Company's internal staff may report to the supervisor or write to the complaint mailbox. Whenever there are conflicts of interest in the various proposals of the board of directors, the directors related to the proposal shall	No significant discrepancy.

Item	Operation			Deviation and causes of deviation from Integrity Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
D. Has the Company established effective accounting and internal control systems for the implementation of ethical policies and had the internal audit unit formulating relevant audit plans based on the assessment outcome of risk associated with unethical conducts? Has the Company then performed audits on compliance with the preventive schemes for unethical conduct accordingly, or entrust the CPAs to conduct the audits?	✓		leave based on the principle of avoidance by not participating in the discussion and voting. D. To ensure the implementation of ethical corporate management, the Company has established an effective accounting system and internal control system. The audit office has formulated relevant audit plans based on the assessment outcome of risk associated with unethical conducts and performed audits on the compliance with the preventive schemes for unethical conducts accordingly. The accounting firm also checked the Company's internal control system every year.	No significant discrepancy.
E. Whether or not the Company organizes internal/external training program for ethical management	✓		E. The Company advocates the importance of ethical corporate management through monthly meetings and internal training program.	No significant discrepancy.

Item	Operation			Deviation and causes of deviation from Integrity Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
periodically?				
(3) Operation of whistleblowing systems				
A. Whether or not the Company has defined a specific complaints and rewards system, and established some convenient complaint channel, and assigned competent dedicated personnel to deal with the situation?	✓		A. The Company has defined a specific complaints and reward system, established a complaint mailbox on the Company's website, and assigned competent dedicated personnel to deal with the situation. In addition, the Company has defined the employee complaint channels and employee-related reward and punishment specifications in the "Management Regulations".	No significant discrepancy.
B. Has the Company implemented any standard procedures or confidentiality measures for handling reported malpractices?	✓		B. The Company has established a reporting system to implement any standard procedures or confidentiality measures for handling reported malpractices, appoint competent dedicated personnel to investigate the reported malpractices, keep the reporter and reported malpractices confidential, and report on the nature of the case to the senior executives of the authority through appropriate channels.	No significant discrepancy.
C. Does the Company assure	✓		C. The Company gives the reporter perfect protection by	No significant

Item	Operation			Deviation and causes of deviation from Integrity Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
malpractice reporters that they will not be mistreated for making such reports?			not disclosing his/her name and other relevant information to ensure investigational quality and assure malpractice reporters that they will not be mistreated for making such reports.	discrepancy.
(4) Enhanced information disclosure Whether or not the Company has disclosed its Ethical Corporate Management Best-Practice Principles and effect of implementation thereof on its website and Market Observation Post System?	✓		The content of the company's Ethical Corporate Management Best Practice Principles has been disclosed on the Company's website and Market Observation Post System (MOPS).	No significant discrepancy.
(5) If the Company has established its own ethical corporate management principles in accordance with “Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies”, please describe the deviation of its operation from said principles: none.				
(6) Other information material to the understanding of ethical management operation (e.g. Discussion of an amendment to the ethical management principles formulated by the Company): Please refer to the Company website: http://www.dbc.com.tw/tw/				

(VII) Other important information that is sufficient to increase understanding of the operation of corporate governance must be disclosed:

Please refer to the Company website: <http://www.dbc.com.tw/tw/>

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

(VIII) Implementation of the Internal Control System

(1) Please refer to the Market Observation Post System (MOPS) for the Statement on Internal Control:

<https://mops.twse.com.tw/mops/#/web/t06sg20>

(2) If the CPA is entrusted with the audit of the internal control system, independent auditor's report shall be disclosed: none.

(IX) Important resolutions of the shareholder's meetings or the board meetings during the most recent year and up to the date of publication of the annual report:

(1) Important resolutions of the shareholder's meetings:

Important resolutions made by the shareholder's meeting in 2024	Subsequent execution status
A. The 2023 business report and financial statements.	The relevant documents have been submitted to the competent authority for inspection and announcement in accordance with the relevant provisions set forth in the Company Act.
B. The 2023 profit and loss appropriation proposal.	In 2023, the Company recorded a net loss after tax of NT\$85,907,494. As of the end of 2023, the accumulated distributable earnings amounted to NT\$716,215,833. It is proposed that no dividends be distributed.
C. Amendments to "Rules and Procedures for Shareholders Meetings".	The resolution was approved and has been implemented in accordance with the revised regulations.

(2) Important resolutions of the board meetings:

Date	Important Resolutions
2024.01.30	A. Passing the “review of various remuneration projects to be carried out by the company in 2024”. B. Passing the “salary adjustments for the chairperson”. C. Passing the “year-end bonus distribution to the chairperson in 2023”. D. Passing the “salary adjustments for the managers”. E. Passing the “year-end bonus distribution to the managers in 2023”. F. Passing the “apply to Yuanta Commercial Bank Co., Ltd. for one-year term for the line of credit”. G. Passing the “application for a credit line from Land Bank of Taiwan, Guting Branch”.
2024.03.14	A. Passing the “2023 business report and financial statements of the company”. B. Passing the “proposal of 2023 appropriation of profit or loss of the company”. C. Passing the “proposal of 2023 effectiveness evaluation of internal control system and declaration of internal control system”. D. Passing the " proposal of the evaluation of independence and competency of CPA”. E. Passing the “audit fee for the certified public accountants of the company”. F. Passing the “amendment of the rules of procedure for board of directors meetings and the audit committee charter”. G. Passing the “amendment of the rules of procedure for shareholders’ meeting”. H. Passing the “the appointment of the director of DBC Korea Co., Ltd.”. I. Passing the “2024 regular shareholders’ meeting”.
2024.05.10	A. Passing the “proposal for internal audit supervisor change”.

Date	Important Resolutions
	B. Passing the “2024Q1 consolidated financial statements”. C. Passing the “proposal for loan to PT. Double Bond Chemindo”. D. Passing the “application to First Commercial Bank Zhongxiao Road Branch for the line of credit”. E. Passing the “proposed application to Cathay United Bank for the line of credit”. F. Passing the “proposed application to Shanghai Commercial and Savings Bank for the line of credit”.
2024.08.09	A. Passing the “appointment of the internal audit supervisor”. B. Passing the “2024Q2 consolidated financial statements”. C. Passing the “company’s earnings distribution plan for the first half of 2024”. D. Passing the “company's 2023 sustainability report”. E. Passing the “proposed amendment to the company’s budget for the second half-year of 2024”. F. Passing the “replacement of members of the board of directors of PT. Double Bond Chemindo”. G. Passing the “proposed application to China Bills Finance Corporation for the loan facility”. H. Passing the “proposed application to Taipei Fubon Bank for the line of credit”. I. Passing the “proposed application to E.SUN Bank for the line of credit and authorization for the chairperson to sign relevant agreements and handle related matters on behalf of the company”. J. Passing the “proposed application to CTBC Bank for the line of credit”. K. Passing the “proposed application to Hua Nan Bank Jisui Branch for the line of credit”.
2024.11.07	A. Passing the “various remuneration projects to be carried out by the company in 2025”. B. Passing the “2024Q3 consolidated financial statements”.

Date	Important Resolutions
	C. Passing the “2025 business plan and budget proposal of the company”. D. Passing the “2025 annual audit plan”. E. Passing the “establishment of the operational procedures for sustainability information management”.
2025.01.21	A. Passing the “adjustment of compensation for the chairperson and the president”. B. Passing the “year-end bonus distribution to the chairperson and the president in 2024”. C. Passing the “salary adjustments for the managers”. D. Passing the “year-end bonus distribution to the managers in 2024”. E. Passing the “year-end bonus plan for the chairperson and the president for 2025”. F. Passing the “proposed application to Yuanta Bank for a one-year line of credit”. G. Passing the “proposed application to Land Bank of Taiwan, Guting Branch, for a line of credit”.
2025.03.13	A. Passing the “2024 business report and financial statements of the company”. B. Passing the “proposal of 2024 appropriation of profit or loss of the company”. C. Passing the “proposal of 2024 effectiveness evaluation of internal control system and declaration of internal control system”. D. Passing the “proposal of the evaluation of independence and competency of CPA”. E. Passing the “audit fee for the certified public accountants of the company”. F. Passing the “amendment to the company’s articles of incorporation”. G. Passing the “amendment to the internal control system for the payroll cycle”. H. Passing the “establishment of the subsidiary’s procedures for endorsement and guarantee management”.

Date	Important Resolutions
	I. Passing the “amendment to the subsidiary’s approval authority matrix”. J. Passing the “acquisition or disposal of equipment for business use among related parties”. K. Passing the “2025 regular shareholders’ meeting”.
2025.05.13	A. Passing the “2025Q1 consolidated financial statements”. B. Passing the “capital increase plan for DAFENG XIN YUAN DA CHEMICAL CO., LTD.”. C. Passing the “2025Q1 consolidated financial statements”. D. Passing the “capital increase plan for DAFENG XIN YUAN DA CHEMICAL CO., LTD.”. E. Passing the “proposed application to First Commercial Bank Zhongxiao Road Branch for the line of credit”. F. Passing the “proposed application to Cathay United Bank for the line of credit”. G. Passing the “proposed application to Shanghai Commercial and Savings Bank for the line of credit”. H. Passing the “proposed application to China Bills Finance Corporation for the loan facility”. I. Passing the “proposed application to Mega Bills Finance Co., Ltd. for a loan facility”.

(X) Recorded or written statements made by any director or supervisor who specified dissent to important resolutions passed by the Board of Directors during the most recent year and up to the date of publication of the annual report: none.

4. Information about Certified Public Accountant (CPA)'s Professional Fees:

Unit: NT\$ Thousand

Name of CPA Firm	Name of CPA	Audit Period	Audit Fee	Non-Audit Fee (note)	Total	Note
Deloitte & Touche	CHEN, CHIH-YUAN & HUANG, YAO-LIN	2024.01.01~ 2024.12.31	3,100	475	3,575	—

Note: Other non-audit service fees include NT\$330 thousand for the transfer pricing report, NT\$60 thousand for the report on the direct credit method, NT\$55 thousand for industrial and commercial registration, and NT\$30 thousand for the CFC (Controlled Foreign Corporation) report.

(I) If the CPA firm changes, and the audit fee paid in the year of such change is reduced from the audit fee of the previous year, the amount of the audit fee before and after such change and the reason of such change should be disclosed : none.

(II) If the audit fee is reduced by more than 10% from last year, the amount, ratio, and reason for the reduction of the audit fee should be disclosed : none.

5. Information on replacement of CPA: none.

6. Disclosure of any instance of the Company's chairperson, president, and financial or accounting manager having held a position in the CPA firm or its affiliates over the past year: none.

7. Transfer of the shareholders' equity and changes in pledge of equity by directors (independent directors), managers, and major shareholders with over 10% shareholding during the most recent year and up to the date of publication of this annual report:

(I) Changes in shareholding transfers and pledges by directors, supervisors, managerial officers, and shareholders holding more than 10% of shares: please refer to the Market Observation Post System (MOPS).

(1) Shareholding transfers:

Path: MOPS > Individual company > Shareholding changes / Securities issuance > Share transfer information inquiry > Post-event declaration of insider shareholding changes

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

(2) Changes in share pledges:

Path: MOPS > Individual company > Shareholding changes / Securities issuance >

Insider pledge/release of pledge > Insider pledge/release announcements

Website: https://mopsov.twse.com.tw/mops/web/STAMAK03_1

- (II) Information on related parties involved in share transfers by directors, supervisors, managerial officers, and shareholders holding more than 10% of the company's shares: none.
- (III) Information on related parties involved in share pledges by directors, supervisors, managerial officers, and shareholders holding more than 10% of the company's shares: none.

8. Information on relationship between any of the top ten shareholders (related party, spouse, or kinship within the second degree):

April 27, 2025; Unit: shares %

Name /Company and its representative	Shares held by oneself		Shares held by spouses and minor children		Total shares held by proxy		Disclosure of information on related parties, or spousal relationships or relations within second degree of kinship, among top ten shareholders, including their names and relationships		Remarks
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Title (or name)	Relationship	
JATDIX INVESTMENTS INTERNATIONAL LIMITED	9,920,770	11.60%	—	—	—	—	JATDITA Investments Co., Ltd.	Same person as the person in charge of the company	—
Person in Charge: LIN, LIANG	1,284,683	1.50%	1,621,528	1.90%	16,130,077	18.86%			
SHINNING SPARK LIMITED (Seychelles)	7,692,396	8.99%	—	—	—	—	Hau Yang Investment Co., Ltd.	Same person as the person in charge of the company	
Person in Charge: HUANG, KUEI-YING	285,426	0.33%	3,603,854	4.21%	10,910,134	12.75%	WANG, TUNG -HAI	Spouse	
LIN, SU-FANG	6,829,917	7.98%	6,525,320	7.63%	5,065,471	5.92%	RIGHT POINT LIMITED (Seychelles)	Chairman of the company	—
							LEE, KUN-CHANG	Spouse	
JATDITA Investments Co., Ltd.	6,209,307	7.26%	—	—	—	—	JATDIX INVESTMENTS INTERNATIONAL LIMITED	Same person as the person in charge of the company	—
Person in Charge: LIN, LIANG	1,284,683	1.50%	1,621,528	1.90%	16,130,077	18.86%			

Name /Company and its representative	Shares held by oneself		Shares held by spouses and minor children		Total shares held by proxy		Disclosure of information on related parties, or spousal relationships or relations within second degree of kinship, among top ten shareholders, including their names and relationships		Remarks
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Title (or name)	Relationship	
JUMBO HARVEST LIMITED (Seychelles)	5,917,371	6.92%	—	—	—	—			—
Person in Charge: HUNG, TSAI-CHING	250,000	0.29%	2,907,372	3.40%	1,051,368	1.23%			
RIGHT POINT LIMITED (Seychelles)	5,065,471	5.92%	—	—	—	—	LIN, SU-FANG	Chairperson of the company	—
Person in Charge: LING, SU-FANG	6,829,917	7.98%	6,525,320	7.63%	5,065,471	5.92%	LEE, KUN-CHANG	Spouse	
LEE, KUN-CHANG	6,525,320	7.63%	6,829,917	7.98%	5,065,471	5.92%	LIN, SU-FANG	Spouse	—
							RIGHT POINT LIMITED (Seychelles)	Spouse as the person in charge of the company	
WANG, TUNG -HAI	3,603,854	4.21%	285,426	0.33%	10,910,134	12.75%	HUANG, KUEI-YING	Spouse	—
							SHINNING SPARK LIMITED (Seychelles)	Spouse as the person in charge of the company	
							Hau Yang Investment Co., Ltd.	Spouse as the person in charge of the company	

Name /Company and its representative	Shares held by oneself		Shares held by spouse and minor children		Total shares held by proxy		Disclosure of information on related parties, or spousal relationship or relations within second degree of kinship, among top ten shareholders, including their names and relationships		Remarks
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Title (or name)	Relationship	
Hau Yang Investment Co., Ltd.	3,217,738	3.76%	—	—	—	—	SHINNING SPARK LIMITED (Seychelles)	Same person as the person in charge of the company	—
Person in Charge: HUANG, KUEI-YING	285,426	0.33%	3,603,854	4.21%	10,910,134	12.75%	WANG, TUNG -HAI	Spouse	
LIU, JUN-JIE	2,911,491	3.4%	165,593	0.19%	—	—	—	—	—

Note 1: The top 10 shareholders shall be listed. Those who belong to the corporate shareholders shall be listed the name of the corporate shareholders and the name of the representatives appointed by the corporate shareholders.

Note 2: The calculation of shareholding ratio refers to the calculation of shareholding ratio in the name of oneself, the spouse, the minor child or other individuals.

Note 3: The shareholders listed in the previous disclosure, including legal persons and natural persons, shall disclose their relationship with each other in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers.

9. The total number of shares held in any single enterprise by the Company, its directors, managers, and any companies controlled either directly or indirectly by the Company with consolidated calculation of the comprehensive shareholding ratio.

December 31, 2024; Unit: shares; %

Investees (Note 1)	Invested by the Company		Investments by directors, managers, and directly/indirectly controlled entities		Aggregated investment	
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio
DBC Group Co., Ltd.	10,430,000	100%	—	—	10,430,000	100%
DBC Europe Holding AG	100	100%	—	—	100	100%
DBC Europe GmbH	(Note 2)	100%	—	—	(Note 2)	100%
DBC Korea Co., Ltd.	59,477	99.98%	—	—	59,477	99.98%
Double Bond Chemical Ind. USA, Inc.	2,000	100%	—	—	2,000	100%
PT. Double Bond Chemindo	1,675	67%	—	—	1,675	67%
Double Bond Chemical (Thailand) Co., Ltd.	9,800	49%	—	—	9,800	49%
Double Bond Chemical Vietnam Co., Ltd.	(Note 2)	100%	—	—	(Note 2)	100%
Double Bond Chemical Global Co., Ltd.	2,530,000	100%	—	—	2,530,000	100%
Total Triumph Limited	7,900,000	100%	—	—	7,900,000	100%
DBC Switzerland AG	80	80%	—	—	80	80%
DOUBLE BOND CHEMICAL (SHANGHAI) CO., LTD.	(Note 2)	100%	—	—	(Note 2)	100%
DAFENG XIN YUAN DA CHEMICAL CO., LTD.	(Note 2)	100%	—	—	(Note 2)	100%

Note 1: It is the subsidiary of the Company adopting the equity method. The investing interests between re-investment company, the long-term equity investment of the investment company and the net value of the investee company are all written off in the preparation of the consolidated financial statements.

Note 2: Limited liability company.

III. Fund Raising

1. Capital and shares

(I) Source of capital stock:

(1) Type of shares

April 30, 2025; Unit: shares

Type of shares	Authorized capital (Note)			Remarks
	Outstanding shares	Unissued shares	Total	
Ordinary shares	85,542,062	34,457,938	120,000,000	The Company's stock refers to the listed stock.

(2) Formation of capital:

April 30, 2025; Unit: thousand shares; NT\$ in thousands

Year/Month	Issue price per unit (NT\$)	Authorized capital		Paid-up capital		Remarks		
		Number of shares (thousand shares)	Amount (thousands)	Number of shares (thousand shares)	Amount (thousands)	Source of capital (thousands)	Paid in properties other than cash	Others
1994.02	10	500	5,000	500	5,000	Capital for incorporation	N/A	Note 1
1998.06	10	600	6,000	600	6,000	Capital increase by cash: NT\$1,000 thousand	N/A	Note 2
2000.01	10	900	9,000	900	9,000	Capital increase by cash: NT\$3,000 thousand	N/A	Note 3
2001.01	10	1,500	15,000	1,500	15,000	Capital increase by cash: NT\$6,000 thousand	N/A	Note 4
2001.10	10	2,500	25,000	2,500	25,000	Capital increase by cash: NT\$10,000 thousand	N/A	Note 5
2003.04	10	3,500	35,000	3,500	35,000	Capital increase by cash: NT\$10,000 thousand	N/A	Note 6
2003.08	10	5,000	50,000	5,000	50,000	Capital increase by cash: NT\$15,000 thousand	N/A	Note 7
2006.08	10	7,500	75,000	7,500	75,000	Capital increase by cash: NT\$25,000 thousand	N/A	Note 8
2009.10	10	10,000	100,000	10,000	100,000	Capital increase by cash: NT\$25,000 thousand	N/A	Note 9
2013.12	10	46,000	460,000	21,000	210,000	Capital increase by cash: NT\$110,000 thousand	N/A	Note 10
2014.07	10	46,000	460,000	36,000	360,000	Capital increase by cash: NT\$150,000 thousand	N/A	Note 11
2015.10	28	46,000	460,000	39,928	399,280	Capital increase by cash: NT\$39,280 thousand	N/A	Note 12
2016.02	34	46,000	460,000	43,168	431,680	Capital increase by cash: NT\$32,400 thousand	N/A	Note 13
2016.03	10	80,000	800,000	58,014	580,144	Capital surplus transferred to capital: NT\$148,464 thousand	N/A	Note 14
2016.04	20	80,000	800,000	61,514	615,144	Capital increase by cash: NT\$35,000 thousand	N/A	Note 15
2017.09	10	80,000	800,000	63,360	633,598	Capitalization of retained earnings: NT\$18,454 thousand	N/A	Note 16

Year/Month	Issue price per unit (NT\$)	Authorized capital		Paid-up capital		Remarks		
		Number of shares (thousand shares)	Amount (thousands)	Number of shares (thousand shares)	Amount (thousands)	Source of capital (thousands)	Paid in properties other than cash	Others
2018.01	48	80,000	800,000	69,808	698,078	Capital increase by cash: NT\$ 64,480 thousand	N/A	Note 17
2019.09	10	120,000	1,200,000	76,789	767,886	Capitalization of retained earnings: NT\$69,808 thousand	N/A	Note 18
2020.08	10	120,000	1,200,000	75,421	754,206	Capital decrease NT\$ 13,680 thousand	N/A	Note 19
2021.09	10	120,000	1,200,000	80,700	807,001	Capitalization of retained earnings: NT\$52,794 thousand	N/A	Note 20
2023.08	10	120,000	1,200,000	85,542	855,421	Capitalization of retained earnings: NT\$48,420 thousand	N/A	Note 21

Note 1: Jian-Yi-Zi No. 824473 dated February 17, 1994.

Note 2: Jian-Yi-Zi No. 87303943 dated June 24, 1998.

Note 3: Bei-Shi-Jian-Shang-Er-Zi No. 88368490 dated January 17, 2000.

Note 4: Bei-Shi-Jian-Shang-Er-Zi No. 90250118 dated January 11, 2001.

Note 5: Fu-Jian-Shang-Zi No. 90116986 dated October 23, 2001.

Note 6: Fu-Jian-Shang-Zi No. 092062308 dated April 2, 2003.

Note 7: Fu-Jian-Shang-Zi No. 09217785400 dated August 20, 2003.

Note 8: Jing-Shou-Zhong-Zi No. 09532761620 dated August 31, 2006.

Note 9: Jing-Shou-Zhong-Zi No. 09833281630 dated October 22, 2009.

Note 10: Bei-Fu-Jing-Si-Zi No. 1025080175 dated December 17, 2013, with authorized capital stock increased by NT\$460,000 thousand.

Note 11: Bei-Fu-Jing-Si-Zi No. 1035165469 dated July 21, 2014.

Note 12: Xin-Bei-Fu-Jing-Si-Zi No. 1045184578 dated October 5, 2015.

Note 13: Xin-Bei-Fu-Jing-Si-Zi No. 1055129773 dated February 5, 2016.

Note 14: Jing-Shou-Shang-Zi No. 10501057370 dated March 28, 2016, with authorized capital stock increased by NT\$800,000 thousand.

Note 15: Jing-Shou-Shang-Zi No. 10501086060 dated April 27, 2016.

Note 16: Jing-Shou-Shang-Zi No. 10601135110 dated September 26, 2017.

Note 17: Jing-Shou-Shang-Zi No. 10701007140 dated February 1, 2018.

Note 18: Jing-Shou-Shang-Zi No. 10801117320 dated September 2, 2019. Jing-Shou-Shang-Zi No. 10801092540 dated July 9, 2019, with authorized capital stock increased by NT\$1,200,000 thousand.

Note 19: Jing-Shou-Shang-Zi No. 10901159870 dated August 31, 2020, with write-off of treasury shares of NT\$13,680 thousand.

Note 20: Jing-Shou-Shang-Zi No. 11001170680 dated September 23, 2021.

Note 21: Jing-Shou-Shang-Zi No. 11101150690 dated August 10, 2022.

- (II) List of main shareholders: The names, number of shares held and shareholding ratio for shareholders holding more than 5% of total issued shares of the Company or ranking as one of the top-10 shareholders are listed clearly below:

April 27, 2025; Unit: shares; %

Shares of major shareholders Name of major shareholder	Shares held	Shareholding ratio
JATDIX INVESTMENTS INTERNATIONAL LIMITED	9,920,770	11.60%
SHINNING SPARK LIMITED (Seychelles)	7,692,396	8.99%
LIN, SU-FANG	6,829,917	7.98%
LEE, KUN-CHANG	6,525,320	7.63%
JATDITA Investments Co., Ltd.	6,209,307	7.26%
JUMBO HARVEST LIMITED (Seychelles)	5,917,371	6.92%
RIGHT POINT LIMITED (Seychelles)	5,065,471	5.92%
WANG, TUNG -HAI	3,603,854	4.21%
Hau Yang Investment Co., Ltd.	3,217,738	3.76%
LIU, JUN-JIE	2,911,491	3.40%

- (III) Dividend policy and implementation

(1) Dividend policy defined in the Articles of Incorporation

Where the Company has earnings for a fiscal year, the earnings shall firstly be appropriated for tax payment according to the law and compensation of accumulated losses, followed by allocating 10% for the legal reserve; however, if the legal reserve has reached the paid-in capital of the Company, no further allocation shall be made, and the remaining is to be allocated or set aside for the special reserve according to the law. Where there is further remaining amount, the Board of Directors shall draft an earnings distribution motion along with the accumulated undistributed earnings for submission to the shareholder's meeting for resolution on the distribution of shareholders' dividends.

Where dividends, bonuses, legal reserves and capital reserves referred to in the preceding paragraph are distributed in cash, the Board of Directors may be authorized to attend by more than two-thirds of the directors and adopt resolutions by more than half of the directors present and report to the shareholders' meeting.

The Company is currently developing steadily in an industry that is now growing and expanding. Since R&D and capacity upgrade are important factors for competitiveness and sustainable operation that require a steady source of investment, the current stage of the company's dividend policy is based on the company's attempted capital budget planning to measure the annual funding requirements, after which the Company adopts part of the stock dividends to retain the funds required for the Company's operations. However, if the profitability is

significantly diluted, the Board of Directors will refer to the operating and capital expenditures and the shareholders' demand for cash inflows to formulate appropriate ratios of cash and stock dividends, among which cash dividends account for no less than 10% of the total dividends.

(2) Dividends to be distributed proposed at the shareholders' meeting:

The company does not plan to distribute dividends this year. The proposal will be dealt with in accordance applicable regulations after resolved at the regular shareholders' meeting on June 25, 2025.

(IV) Effects of stock grants proposed at the shareholders' meeting on the Company's operating performance and EPS: Not applicable.

(V) Remuneration to employees and directors (including independent directors), and supervisors:

(1) Employees' and directors' (including independent directors')/supervisors' remuneration policies as stated in the Articles of Incorporation:

Where the Company has earnings for a fiscal year, no less than 1% shall be appropriated as the employee remunerations, and the Board of Directors shall resolve whether it is to be issued in the form of shares or cash. The board of directors is authorized to establish specific rules for such issuance. For said earnings of the Company, the board of directors shall resolve that no more than 5% is to be appropriated for the remunerations of directors/supervisors, only issued in the form of cash. Employee remuneration and director/supervisor remuneration allocations shall be reported to the shareholders meeting.

In case of accumulated loss of the Company, the amount shall be reserved to compensate for the amount, followed by allocating for the employee remuneration and director/supervisor remuneration according to the proportions specified in the preceding paragraph.

The Company shall estimate the employees' and directors' remunerations at the ratio stated in the Article when distributing earnings at the end of each fiscal year. If the Company has any accumulated loss, it shall keep a portion of earnings sufficient to make good of the loss in advance before estimating the employees' and directors' remunerations at the ratio stated in the Article.

The employees for and to whom the Company executes treasury shares, stock option certificates, restricted stock awards and remunerations shall include the employees of controlled or affiliated companies who have satisfied certain conditions.

(2) Basis for estimating the employee and director/supervisor remuneration for this period, and accounting treatments for any discrepancies between the amounts estimated and the amounts paid:

If the amount of the annual financial report is significantly changed by the resolution of the board of directors before the date of issuance, the change will be adjusted to the original annual expense recognized. If the amount of the annual financial report still changes after the date of issuance, it will be adjusted according to the accounting estimate and are adjusted and entered into account next year.

(3) The distributed remuneration resolved by the board of directors:

A. The employee remuneration paid by cash or shares, and the remuneration of directors and supervisors. If there are any discrepancies with the estimated value in the expense recognition year, they shall be disclosed along with the reason and treatments:

The Company reported a pre-tax net loss for the year 2024; therefore, no distributions were made for employee remuneration and remuneration to directors. There was no difference between the estimated amount of compensation recognized as an expense.

B. Proposed distribution of remuneration to employees in shares as a percentage to net profit after tax plus remuneration to employees in the entity or individual financial statement for the current period:

The company did not distribute any this fiscal year, therefore it is not applicable.

(4) If there are any discrepancies between the actual distribution of remuneration of the employees, directors and supervisors in the previous year (including the number of shares distributed, amount and share price) and the recognized remuneration of the employees, directors and supervisors, then the discrepancy number, causes and treatment shall be illustrated:

The Company reported a pre-tax net loss for the year 2023; therefore, no distributions were made for employee remuneration and remuneration to directors.

(VI) Repurchase of the Company's shares: none.

2. Issuance of corporate bond: none.

3. Handling of special shares: none.

4. Handling of overseas depositary receipts: none.

5. Handling of employee stock options: none.

6. Handling of restricted shares for the employees of the Company: none.

7. Handling of merger or acquisition or transfer of shares to other company: none.

8. Handling of the use of proceeds: none.

IV. Overview of Operation

1. Contents of business

(I) Scope of business

(1) Major contents of the business

The Company's business mainly includes the R&D, manufacturing and sales of various products such as plastic additives, UV curable materials, digital textile materials, and electronic materials.

(2) Weight of business with respect to major products

Unit: NT\$ thousand; %

Product \ Year	2023		2024	
	Net operating income	Weight (%)	Net operating income	Weight (%)
Plastic additives	1,349,856	60.61	1,421,038	52.58
UV curable materials	658,124	29.55	778,210	28.80
Others	219,100	9.84	503,202	18.62
Total	2,227,080	100.00	2,702,450	100.00

Source: financial statements audited by the certified public accountant.

(3) Current products (services) and functions

The company's core business encompasses four major product lines: Plastic Additives, UV-Curable Materials, Digital Textile Materials, and Electronic Materials. We are committed to the research, development, and innovation of environmentally friendly materials and sustainable manufacturing processes. Each of these product lines is closely tied to eco-friendly practices, demonstrating our dedication to green sustainability:

A. Plastic Additives: Our plastic additives include antioxidants, UV absorbers, light stabilizers, heat stabilizers, anti-yellowing agents, optical brighteners, hydrolysis-resistant agents, flame retardants, antistatic agents, lubricants, and more. These additives are widely applicable to various polymers, enhancing heat resistance, weatherability, processability, special functionalities, and product lifespan. By extending product life cycles, they help reduce resource waste and are used across multiple industries:

a. Automotive Materials: Headlamp covers, interior components, seat cushions, seat belts, textile accessories, adhesives, etc.

b. Electronic Materials: Casings for electronic products, wires and cables, electronic encapsulants, electronic components, adhesives, etc.

- c. Packaging and Film Materials: Plastic packaging, industrial and agricultural films, biodegradable materials, etc.
 - d. Construction Materials: Exterior walls, roofing materials, outdoor and indoor coatings, adhesives, etc.
 - e. Foam Materials: Furniture, mattresses, sofas, lingerie, footwear materials, etc.
 - f. Medical Materials: Latex gloves, etc.
 - g. Green Energy Materials: Electronic encapsulants, weather-resistant coatings for wind turbine blades, etc.
 - h. Lubricants: Lubricants for machinery, engine oils, etc.
 - i. Textile Materials: Fibers, fabrics, footwear, etc.
- B. UV-Curable Materials: Our UV-curable materials include photoinitiators, amine synergists, UV-curable monomers, UV-curable resins, and formulated UV-curable products. These materials offer the "5E" advantages—Efficient, Eco-friendly, Economical, Energy-saving, and Enabling—providing a sustainable alternative to traditional high-solvent thermal curing systems. Applications include:
- a. Inks and Coatings: Widely used in digital printing, flexographic printing, and UV printing, especially for packaging, labels, and advertising.
 - b. Electronics: Used in electronic component encapsulation, optical film coatings, adhesives for various electronic parts, etc.
 - c. Automotive: Applied in interior surface coatings and decorative layers, offering durability and aesthetic appeal.
 - d. Medical Materials: Dental materials, contact lenses, etc.
 - e. 3D Printing: Dental applications, plastic components, models, etc.
- C. Digital Textile Materials: We focus on developing solvent-free water-based and UV-curable ink systems, including water-based digital printing inks (acid dyes, reactive dyes, direct disperse dyes, sublimation dyes, pigments), UV-curable digital inks, nano high-concentration dispersions (sublimation dyes, water-based pigments, UV-curable pigment systems), and digital printing services for various substrates. Applications span across textiles, footwear, packaging, advertising, electronics, fashion accessories, and art.
- D. Electronic Materials: Our electronic materials include encapsulants and key chemical raw materials for 5G/6G technologies. These high-performance, durable materials support the development and quality demands of next-generation electronics, with applications in semiconductors, telecommunications, displays, energy, and automotive electronics.

(4) Future Products (Services)

A. Plastic Additives

- a. Continue to develop environmentally friendly and high efficiency heat stabilizer for PVC
- b. Composite phenol-free anti-smoke additives for polyurethane breast and shoes cotton
- c. Phosphate-free antioxidants for spandex or thermoplastic polyurethane
- d. High-efficiency anti-freeze emulsion antioxidant for PVC polymerization

B. UV Curable Materials

- a. Anti-fog coating
- b. Skin-feel oligomer
- c. E-paper material
- d. New materials related to PCB inks

C. Digital Textile Materials

- a. Water- and oil-repellent coating varnish for non-woven fabrics
- b. Continue to develop high concentration UV-curing color past
- c. Andydrous dyeing process
- d. Environmentally friendly UV absorber for textils
- e. Continue to develop digital printing OEM

D. Electronic Materials

- a. Continue to develop 5G/6G materials
- b. Continue to develop other electronic materials
- c. Self-sufficiency in key materials

(II) Overview of the industry

(1) The industry and develop

A. Plastic additives

Plastic additives are functional chemicals used during the manufacturing, processing, and molding of plastics. Their primary purpose is to enhance the processability, mechanical properties, weather resistance, and safety of plastic materials. Based on their functions, plastic additives include antioxidants, UV absorbers, light stabilizers, heat stabilizers, anti-yellowing agents, optical

brighteners, hydrolysis-resistant agents, flame retardants, antistatic agents, lubricants, and more. According to the types of plastics they are applied to, they can be categorized as follows:

- Commodity Plastics: e.g., PE, PP, PVC, PS, ABS.
- Engineering Plastics: e.g., PC (polycarbonate), POM, PMMA (acrylic), PA (polyamide), PET, PU (polyurethane), TPU (thermoplastic polyurethane).
- High-Performance Plastics: e.g., PEEK, PPS, PEI, PVDF.

Among these, commodity plastics and certain engineering plastics (such as ABS, PU, and PC) have the highest demand for additives due to their large-scale usage. For instance, over 90% of polyolefins like PP and PE require antioxidants and stabilizers during processing and application to extend their lifespan and enhance performance. Polyurethane (PU) often incorporates antioxidants, UV absorbers, and flame retardants to meet the diverse requirements of applications such as sports footwear, electronic encapsulation, and automotive interiors. Transparent plastics like PMMA and PC require light stabilizers and UV absorbers to improve outdoor durability and optical stability. Although additives constitute a small proportion of the overall plastic formulation, they play a critical role in determining product performance, stability, safety, and longevity, making them indispensable in the modern plastics industry.

B. UV Curable Materials

Since the 1970s, UV-curing technology has emerged as an innovative and eco-friendly solution, rapidly gaining global adoption. With growing environmental awareness, this technology has become a catalyst for transformation in the coating and inks industries and is now widely applied across various sectors.

UV-curing technology utilizes ultraviolet light to rapidly cure materials, eliminating the need for high-temperature processing associated with traditional thermal curing. This significantly reduces the emission of volatile organic compounds (VOCs), aligning with modern demands for green manufacturing and low-pollution processes. UV-curable coatings are commonly used in paper coatings and wood surface treatments and are expanding into high-end markets such as furniture, flooring, and mobile phone casings. These applications benefit from technology's fast curing, high hardness, scratch resistance, and corrosion resistance, delivering excellent surface quality without the need for heat.

UV-curable materials are primarily composed of monomers, oligomers, photoinitiators, and various additives. These components work together to initiate polymerization under UV light, forming a solid film. The solvent-free nature of this process makes it particularly suitable for industries with stringent environmental requirements and has driven technological innovation in the global coatings

industry.

In the ink sector, UV-curable inks are widely used for high-value printing applications, especially in inkjet and flexographic printing. They are extensively applied in premium packaging and electronics printing, such as cigarette packs, cosmetic containers, and luxury gift packaging.

UV-curing technology is also playing an increasingly important role in the electronics industry. It is widely used in LED encapsulation, LCD manufacturing, optical products, and electronic assembly, where UV adhesives enable rapid curing and high-precision bonding. Beyond electronics, UV adhesives are also used in consumer goods such as glassware, toys, and jewelry assembly.

C. Digital Textile Materials

The digital textile materials industry is in a phase of innovative growth, driven by rising demand for personalization, stricter environmental regulations, and continuous technological advancements. Digital textile printing is becoming a vital part of the printing market due to its efficiency, precision, eco-friendliness, and flexibility, gradually replacing traditional printing methods in many applications.

Eco-friendly digital printing inks are mainly divided into two categories: water-based inks and UV-curable inks. These inks are widely used for printing on textiles, paper, plastics, glass, and other substrates. Compared to traditional screen and offset printing, digital printing offers greater design freedom, supports small-batch and customized production, and enables diverse printing effects such as full-color and high-resolution patterns.

The primary market for digital textile inks is textile printing, especially in the apparel and home textiles sectors, where demand continues to grow. Digital printing enables rapid production without the need for extensive plate-making or templates, making it highly competitive in fast fashion, customized design, and small-lot manufacturing. Additionally, digital printing technology is expanding into packaging, electronics, and advertising display applications.

(2) Links between the upstream, midstream and downstream segments of the petrochemical industry:

Upstream	Midstream	Downstream
● Petrochemical Raw Material Manufacturing (e.g., petroleum, natural gas, ethylene, propylene, and other	● Plastic Additives Manufacturing Industry ● UV-Curable Materials Manufacturing Industry ● Digital Textile Materials Manufacturing Industry	● Plastic Manufacturing Industry ● Plastic Processing and Manufacturing Industry ● Ink and Coating Manufacturing Industry

Upstream	Midstream	Downstream
basic feedstocks) ● Basic Chemical Manufacturing (Petrochemical intermediates such as phenol, methanol, acetic acid, terephthalic acid, ethylene, propylene, butadiene, etc.)	● Electronic Materials Manufacturing Industry	● Man-made Fiber Manufacturing Industry ● Adhesive Manufacturing Industry ● Pesticide Manufacturing Industry ● Cosmetics Manufacturing Industry ● Automobile Manufacturing Industry ● Electronic Product Manufacturing Industry ● Furniture Manufacturing Industry ● Foam Manufacturing Industry ● Optical Materials Manufacturing Industry

(3) Product development trend in the future

A. Plastic Additives

- a. Non-toxic and halogen-free formulations: In response to global environmental regulations (e.g., REACH, RoHS), the development of additives free from heavy metals and halogens is a growing trend.
- b. Additives for biodegradable and bio-based polymers.
- c. High-performance stabilizers: Including heat-resistant and weather-resistant antioxidants and light stabilizers for outdoor, automotive, and electronic applications.
- d. Additives for new energy and electric vehicle industries: Such as flame retardants and anti-aging agents for lithium battery modules and lightweight vehicle materials.

B. UV-Curable Materials

- a. BEF adhesives for the display panel industry

- b. Polarizer bonding adhesives
- c. LOCA (Liquid Optical Clear Adhesive)
- d. UV inks for printed circuit boards (PCB, FPC)
- e. UV glass protective films
- f. Wafer adhesives
- g. 3D model printing: Replaces traditional molding, reduces development costs, and shortens prototyping time.
- h. 3D jewelry model printing: Replaces manual carving, offering higher precision and efficiency.
- i. Medical device applications: Used in the development of products such as temporary dentures.

C. Digital Textile Materials

- a. Growth in personalized and customized demand: Digital printing is ideal for custom clothing, home décor, and small-batch specialty products.
- b. Driven by environmental regulations: Digital inks are low-VOC and solvent-free, aligning with global environmental standards.
- c. Technological innovation and performance enhancement: New inks offer vibrant colors, durability, water and scratch resistance, and compatibility with diverse substrates.
- d. Integration with 3D printing: Enables complex patterns and color effects in electronics and high-end manufacturing, opening new market opportunities.

D. Electronic Materials

- a. High-frequency, high-speed electronic materials: For 5G/6G and AI servers, focusing on low-loss, low-dielectric, high-Tg, and high-thermal conductivity materials.
- b. High-temperature and high-voltage resistant materials: Used in packaging, dielectric, and insulation materials for high-speed transmission.
- c. Materials for EVs and batteries: Growing demand for thermally conductive, flame-retardant, and insulating materials such as battery encapsulants and separator coatings.

(4) Market Competition

- A. Major International Competitors: Major global players include BASF, Clariant, ADEKA, Songwon, Miwon, Allnex, Sartomer, IGM, Lianhong, Tianjin Jiuri, Everlight

Chemical, and Changxing Chemical.

B. Intense Price Competition: Price competition is particularly fierce in general-purpose additives, photoinitiators, and UV-curable monomers.

C. Our Strategic Responses:

- a. Develop new molecular structures to avoid price competition in generic products.
- b. Create eco-friendly and energy-saving new materials, and optimize production processes to enhance product value and reduce costs.
- c. Effectively leverage subsidiaries and global distribution networks to monitor market trends and focus on key development projects.
- d. Provide global customers with real-time, comprehensive, and systematic solutions rather than offering only individual products.

(III) Overview of technology and R&D

(1) Key Milestones

- A. 1994: The company was founded. To support business growth and market demand, we have continuously strengthened our R&D capabilities and workforce to develop competitive products.
- B. 2003: Established the R&D Center, focusing on product research and technological innovation. We also obtained ISO 9001 certification for quality management systems, covering plastic additives, UV-curable resins and additives, textile auxiliaries, ink and coating additives, and other chemical supplies.
- C. 2007: Established the Digital Printing Center, dedicated to developing environmentally friendly water-based and digital inkjet inks, actively expanding applications in eco-friendly digital printing.

(2) R&D Team Structure and Planning: Our R&D is structured into two core technical domains: "Synthesis" and "Application," which work closely together to form a vertically integrated development process. This enables us to provide one-stop, comprehensive solutions tailored to customer needs.

- A. Synthesis Team: Responsible for molecular design, polymerization, substitution reactions, and other core synthesis technologies. The team also develops customized formulations based on client requirements.
- B. Application Team: Conducts performance analysis and database comparisons to identify application-side issues, then adjusts or optimizes formulations to deliver practical and effective solutions.

(3) In response to intense global competition, we continue to deepen our core technologies and R&D capabilities to strengthen overall competitiveness. From molecular structure design and reaction mechanism research to mass production process optimization, we have successfully established proprietary R&D models and intellectual assets. By reinforcing our independent technology platforms, we can flexibly respond to new markets and applications without relying on external technologies. This demonstrates our strong technological scalability and market adaptability, as we strive to become a leading innovator in the industry.

(4) R&D personnel and their educational background and work experience (for both the Company and its subsidiaries)

Unit: person; %

Items \ Year		2023		2024		April 30, 2025	
		Number of people	%	Number of people	%	Number of people	%
Educational Background	Ph.D.	2	6.25	1	2.94	1	2.85
	Master's degree	24	75.00	26	76.47	26	74.29
	Bachelor's degree	6	18.75	7	20.59	8	22.86
	Below bachelor's degree	—	—	—	—	—	—
	Total	32	100.00	34	100.00	35	100.00
Average seniority (years)		7.17		6.79		6.93	

(5) The research and development expenses incurred in the most recent fiscal year and up to the date of the annual report publication, as well as the technologies or products that have been successfully developed.

Unit: NT\$ thousand; %

R&D expenses		Successfully developed technologies or products
2024	In the current year up to March 31, 2025	A. Various types of flame retardant formulas B. Phenol-free anti-yellowing additive for PU foam PVC matte flooring coating
57,912	13,067	C. Anti-fog coating D. Flame retardant resin E. Bio mass UV resin Waterborne PU resin F. Water-based color glue used in textile middle coatings

R&D expenses		Successfully developed technologies or products
		G. Suitable for various materials customization inkjet ink H. High fastness water based pigment ink & pre and post treatment I. 5G / 6G materials

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

(1) Short-term plans

- A. Accelerate the development and mass production of new products at the Yilan plant.
- B. Increase capacity utilization at the Dafeng plant.
- C. Actively expand into new global markets.

(2) Long-term plans

- A. Develop products with high economic scale and high added value.
- B. Integrate global marketing through regionalization.
- C. Achieve self-sufficiency in key raw materials.
- D. Establish upstream and downstream strategic alliances and cross-industry collaborations.

2. Overview of the market, production, and marketing

(I) Market analysis

(1) Territories where main products are sold

Unit: NT\$ thousand; %

Territory \ Year		2023		2024	
		Sales amount	Percentage (%)	Sales amount	Percentage (%)
Domestic Marketing		211,286	9.49	388,951	14.39
Export Sales	Asia	1,644,523	73.84	1,832,635	67.82
	Europe	271,159	12.18	346,982	12.84
	America	92,542	4.15	124,652	4.61
	Others	7,570	0.34	9,230	0.34
	Subtotal	2,015,794	90.51	2,313,499	85.61
Total		2,227,080	100.00	2,702,450	100.00

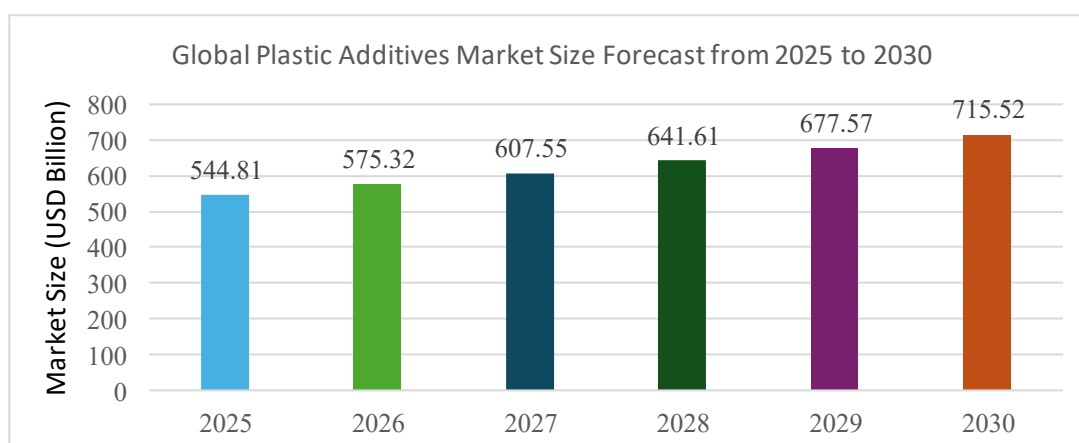
(2) Market Share

The company is primarily engaged in the research, development, manufacturing, and sales of various products, including plastic additives, UV-curable materials, digital textile materials, and electronic materials. The downstream products made using our materials are diverse and widely applied across industries. Focusing on our two main product categories—plastic additives and UV-curable materials—we refer to global market size forecasts from Grand View Research and Maximize Market Research, respectively, as the basis for our calculations. Based on these references, our current global market share in both categories is estimated to be less than 1%.

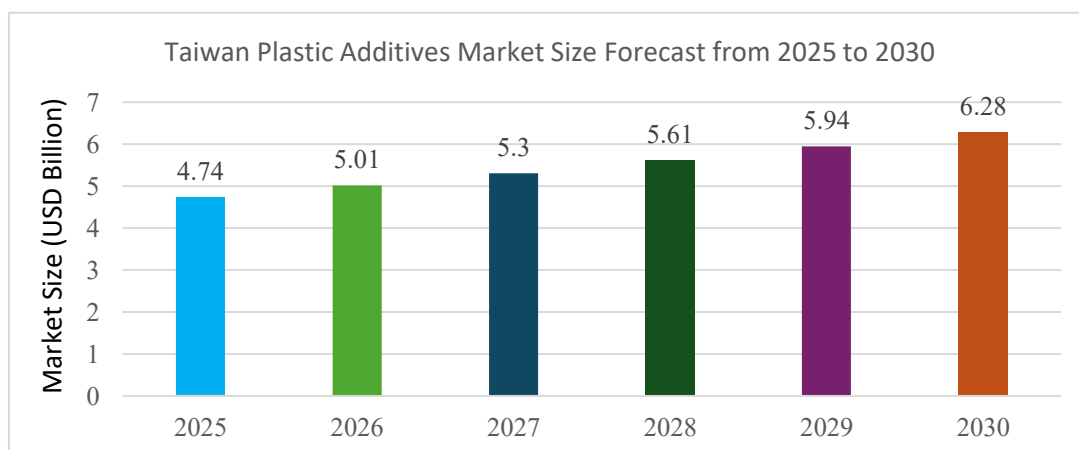
(3) The supply and demand situation and growth of the future market

A. Plastic additives

According to a market research report by Grand View Research, the global plastic additives market is projected to grow at a compound annual growth rate (CAGR) of 5.6% from 2025 to 2030. By 2030, the market is expected to reach a value of USD 71.552 billion.



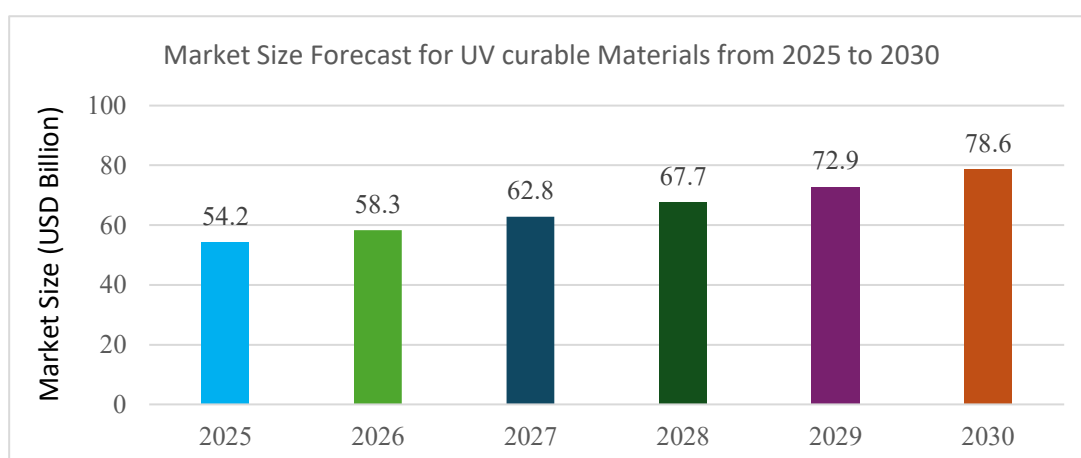
Although Taiwan's plastic additives market is relatively small, it benefits from a well-established industrial supply chain and a high level of technical expertise. According to a market research report by 6Wresearch, the market is projected to grow at a compound annual growth rate (CAGR) of 5.8% from 2025 to 2030, reaching a value of USD 628 million by 2030. This data indicates that Taiwan's plastic additives market has stable growth potential in the coming years, primarily driven by demand from end-use sectors such as packaging, construction, electronics and electrical, and medical equipment.



As global awareness of environmental protection and human health continues to grow, certain controversial or toxic additives—such as phthalate plasticizers and halogenated flame retardants—are gradually being phased out in many applications. These substances are also strictly regulated by international frameworks such as the EU REACH regulation, Taiwan’s Toxic and Concerned Chemical Substances Control Act, and the U.S. TSCA. This trend is driving the industry toward the development of eco-friendly, non-toxic, bio-based, and biodegradable additives. For example, the use of naturally derived antioxidants, halogen-free flame retardants, and specialty additives for biodegradable plastics is emerging as a new blue ocean in the market. These innovations not only enhance the added value of additive products but also contribute to the overall upgrading of the industry.

B. UV curable materials

According to a market research report by Maximize Market Research, the global radiation-cured materials market is projected to grow at a compound annual growth rate (CAGR) of 7.7% from 2025 to 2030. By 2030, the market is expected to reach a valuation of USD 7.86 billion.

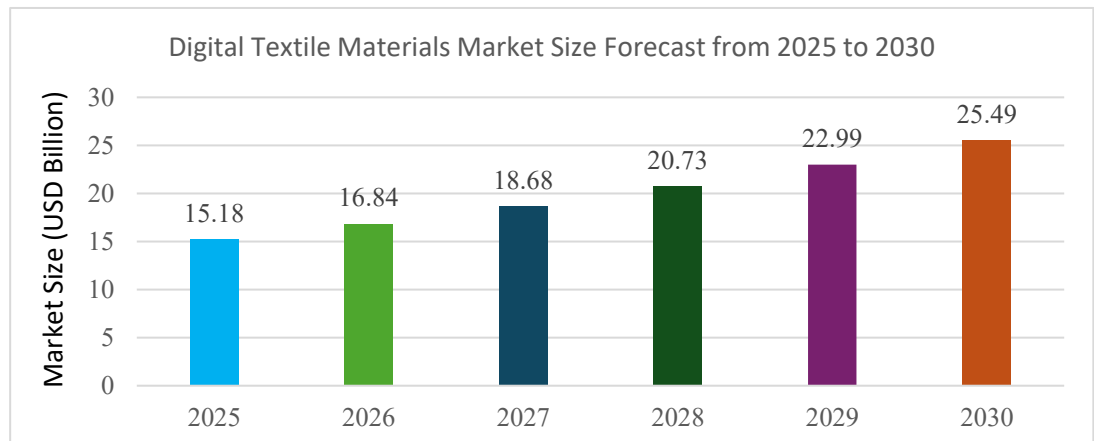


In the global market, demand in the Asia-Pacific region is growing particularly rapidly. As global attention to environmental protection and sustainable development continues to rise, the application of radiation-cured materials in

coatings, inks and adhesives, and 3D printing is expected to expand further, driving the industry's rapid growth.

C. Digital Textile Materials

According to a market research report by Straits Research, the global digital textile materials market is projected to grow at a compound annual growth rate (CAGR) of 10.9% from 2025 to 2030. By 2030, the market is expected to reach a value of USD 2.549 billion.



With ongoing technological innovation and increasingly diversified market demands, the digital textile materials market is poised for substantial growth. In particular, applications in apparel, home furnishings, commercial printing, and advertising are expected to expand steadily. Digital textile inks, in particular, are well-positioned to meet the needs of small-batch, high-efficiency production while delivering high-quality graphic output, contributing to the market's stable growth trajectory. Looking ahead, the development of new materials and advanced technologies will unlock further opportunities for innovation and application in digital textile inks, reinforcing their role in the future of the industry.

(4) Niches in competition

A. Focus on High Value-Added Specialty Chemicals R&D

- Our company is one of the few in Taiwan dedicated to the research, development, and manufacturing of specialty chemicals, with strong R&D capabilities.
- Specialty chemicals are often customized composite formulations with low cost ratios, long validation cycles, and high barriers to substitution, offering high added value.
- We can design formulations based on customer needs and possess advanced mass production technologies such as purification, refinement, and nanonization, making us one of the few global suppliers offering a "one-stop

solution.”

B. Comprehensive Product Line and Superior Quality

- a. Our product portfolio includes UV-curable resins, UV monomers, photoinitiators, plastic additives, and other specialty chemicals, covering a wide range of applications.
- b. Our products have obtained regulatory certifications from multiple countries, including: China IECSC, EU REACH, US TSCA, Australia AICS, Canada DSL/NDSL, Japan MITI, Korea KECL, Taiwan TCSI, and the Philippines PICCS.
- c. Quality certifications: NSF, KOSHER, HALAL.
- d. Environmental certification: Bluesign.
- e. Our product quality is recognized by major international companies and meets the high standards of global customers in terms of quality and compliance.

C. Global Marketing Network Across Five Continents

- a. We have subsidiaries or agents in Taiwan, China, the United States, Canada, Germany, the United Kingdom, Switzerland, Spain, Turkey, Australia, New Zealand, Egypt, Japan, Korea, Southeast Asia, India, South Africa, and Latin America.
- b. Our sales network spans Asia, the Americas, Europe, Africa, and Oceania, providing a comprehensive global marketing presence with international competitiveness and real-time service capabilities.
- c. Our sales team actively expands into overseas markets, with products sold in dozens of countries worldwide.

D. Strong R&D and Innovation Capabilities

- a. We have a complete synthesis and application R&D team, continuously developing innovative products for future industries.
- b. Key R&D achievements include:
 - Reactive additives: React with substrates during polymerization or processing to enhance mechanical properties and molecular weight.
 - Multifunctional additives: New structural materials with both UV absorption and antioxidant properties.
 - Products featured in the Ministry of Economic Affairs’ 2016 Specialty Chemicals Industry Yearbook: Chisorb 2693DW: A lightfastness enhancer suitable for all fabrics, maintaining a soft hand feel. Chinox B1248, B1851: Designed for plastic recycling, improving durability and environmental

performance.

- c. These achievements demonstrate our forward-looking vision and leadership in environmental protection, functionality, and high-end product development.

E. Strategic Expansion into Emerging Market: Digital Printing

- a. Digital printing is a key technology for the future of the textile industry, and our company has proactively invested in R&D and mass production in this field.
- b. Digital printing offers advantages such as no need for plate-making, small-batch customization, precise color reproduction, and low pollution.
- c. Our water-based digital printing inks have passed the full series certification of Kyocera printheads in Japan, making us the only manufacturer in Asia to achieve this standard.
- d. Compared to OEM inks, our products offer better quality stability, cost advantages, and flexible supply capabilities.
- e. Leveraging strengths in raw material selection, production management, and technology integration, we have successfully entered the international market as a high-quality emerging supplier in the digital printing sector.

F. Strategic Expansion into Emerging Market: Electronic Materials

- a. In response to the rapid development of the high-tech industry, our company is actively investing in the electronic materials sector, expanding the application scope of specialty chemicals.
- b. We have established a dedicated product development platform to meet the electronic industry's needs for high purity, low impurities, high stability, and precision processing. Applications include:
 - Semiconductor process materials: Low-dielectric chemicals and formulations, electronic packaging adhesives.
 - Display materials: BEF adhesives, polarizer adhesives, UV-curable protective films.
 - PCB applications: PCB inks.
 - Other specialized structural chemicals.
- c. We possess vertically integrated capabilities from formulation development to purification and application testing, enabling rapid response to customer demands for functionality, reliability, and process compatibility.
- d. With the rise of 5G/6G, AI, electric vehicles, and wearable devices, demand for electronic materials continues to grow. We are expanding production lines and

investing in R&D to master key technologies and build long-term competitive advantages.

- e. With stable high quality, customization capabilities, and a foundation of international regulatory certifications, we have successfully entered the supply chains of several global electronics giants as a trusted materials partner.

(5) Advantage and disadvantage of long term development and reaction strategy

A. Advantage

- a. Emerging countries are growing rapidly and consumer demand is increasing.

The rapid economic growth of emerging markets is expected to drive demand for various raw materials and consumer goods. Additionally, the global demand for environmentally friendly products is on the rise, which should support the continued growth of the plastic additives and coatings industry.

- b. Countries around the world have strengthened their chemical control and are gradually paying more attention to environmental protection.

Advanced countries such as Europe, the United States, and Japan have successively banned potentially hazardous chemical components and strengthened environmental regulations. For example, US Electronic Product Environmental Assessment Tool (EPEAT), Japan PC3R, and Swedish TCO Certified Edge all require a portion of recycled plastics to be used in plastic products. Developing countries such as Mainland China have emphasized the requirement for eco-friendliness and green production methods in the Outline of the 12th and 13th Five-Year Plan for the National Economic and Social Development of the People's Republic of China so that the manufacturers require strong R&D capabilities to provide new and applicable chemical products. With a strong R&D team, the Company has gradually developed products that meet environmental requirements which is a big niche for the future development of the Company in the industry.

- c. In response to fluctuations in raw material prices, the world continues to pursue the trend of maximizing resource efficiency.

With the fluctuation of raw material prices in recent years, various plastic products manufacturers have sought ways to extend the life of plastic products, increase weather resistance or flame resistance or improve daylight fastness. Coating manufacturers are also required to improve material durability, improve coating coverage efficiency and energy saving. With a strong R&D team, the company has developed a single light fastness improver for all fabrics without affecting the touch of the fabric, making the Company one of the few manufacturers in Taiwan to invest in the research and development of this

application. The Company also focuses on UV-curable coatings that contain no solvent, with high energy efficiency in the manufacturing process, with exhaust emission of only 10% of the traditional coatings, and with eco-friendliness, which are positive factors for the future development of the Company in the industry.

B. Disadvantage

- a. Countries are increasingly strict with environmental regulations for the chemical industry

In response to the increasing global environmental awareness, the relevant environmental regulations of the industry are becoming stricter which will affect the promotion of the Company's products in the long run.

Reaction strategy:

The company has installed pollution prevention and control equipment and requires that all product manufacturing processes comply with environmental regulations. We are also refining our processes to reduce the generation of waste gas, wastewater, and solid waste. Additionally, we are committed to developing low-pollution products, expanding this market, and gradually increasing their sales ratio.

- b. Price competition of industry of the same trade from Mainland China

Mainland China is actively developing the red supply chain of the petrochemical industry. Under the continuous expansion of production capacity, it poses a potential competitive threat to the industry by cutting the price.

Reaction strategy:

Committed to the development of differentiation, the R&D team of the Company has strong research and development capabilities to provide composite formulas and customized products that meet customer needs. As one of the few manufacturers in the world to provide one-stop solutions, the Company has won long-term and stable corporations with customers due to its high product quality and stability. In addition, the Company has also provided comprehensive technical services to customers in order to maintain the Company's competitive advantage by establishing bases for R&D, productions, and sales in Shanghai and Dafeng.

(II) Usage and manufacturing process of the Company's main products:

(1) Important purpose of main products:

A. Plastic Additives

a. Antioxidants:

Additives that are added to inhibit or slow down the plastic deterioration

during processing such as physical deterioration, brittleness, discoloration, or reduced transparency.

b. Light stabilizer:

Additives that are added to absorb UV, protect plastic from UV damages, and prevent plastic from deteriorating during sun exposure.

c. Plastic lubricant:

Additives that are added to improve the fluidity of the plastic, reduce the heat consumption of screw motion in the plastic melt, keep the product surface smooth and assist with mold release.

d. Antistatic agent:

Additives that are added to prevent plastic charging, reduce charge generation, or cause the charge to disappear quickly.

B. UV curable materials

a. Photo-initiator:

After accepting or absorbing external energy, the UV curable system including UV adhesive, UV coating, UV ink, etc. are able to undergo chemical changes and decompose into free radicals or cation to initiate polymerization.

b. UV curable oligomer:

A polymer having a molecular mass of less than 1500 and a molecular length of no more than 5 nm. Unlike polymers, oligomers dissolve, distill, form crystalline or amorphous materials.

c. UV curable monomer:

In the UV curing composition, the monomers play a key role. In addition to adjusting the viscosity of the system, the monomers also affect the level of curing & polymerization, adhesion to the substrate, and the physical properties of the resulting polymers.

d. UV curable additives:

UV absorbers, antioxidants, adhesives, lubricants, etc. are used to enhance the physical properties of UV curable materials.

C. Digital Textile Materials

a. Water-Based Digital Textile Inks:

Primarily used in a wide range of textile applications, including apparel, bags, automotive accessories, furniture, and footwear industries.

b. UV Curable Digital Textile Inks:

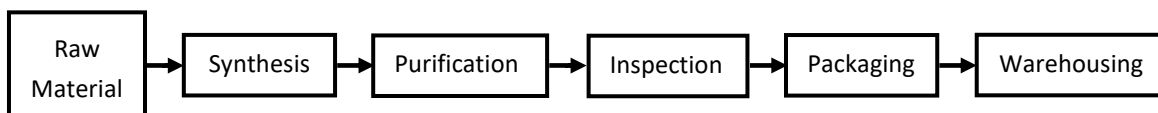
Mainly applied in industries such as advertising, coatings, furniture, leather,

and electronics.

c. Textile Auxiliaries:

Chemical agents used throughout the textile production process to enhance processing performance, appearance, hand feel, functionality, and quality. These auxiliaries play a vital role in various stages such as fiber production, spinning, weaving, dyeing and finishing, and post-treatment.

(2) Production process of main products



(3) Supply condition of the Company's major raw materials

Major raw material	Supplier	Supply condition
Isobutyrophenone	A company	Good
Cyclohexyl Phenyl Ketone	A company	Good
Triacetyl Isocyanurate	B company	Good
RICON 100	B company	Good
Chloromethyl Styrene	C company, D company	Good
SA-90	D company	Good

(4) To identify customers whose purchases and sales accounted for more than 10% of the total purchase and sales amount in any of the last two years, along with their purchase and sales amount and proportion, and to explain the reasons for the increase and decrease changes, please provide the following information:

A. Information about the main suppliers in the past two years:

Unit: NT\$ thousand

	2023				2024				During 2025 up to Q1			
	Name	Amount	As a percentage to the yearly net purchase (%)	Relationship with the issuer	Name	Amount	As a percentage to the yearly net purchases (%)	Relationship with the issuer	Name	Amount	As a percentage to the first quarter net purchases of the year (%)	Relationship with the issuer
1	A	256,592	15.83	—	—	—	—	—	—	—	—	—
2	—	—	—	—	—	—	—	—	B	69,637	15.12	—
3	Others	1,364,772	84.17		Others	2,006,201	100.00		Others	391,061	84.88	
	Net Purchase	1,621,364	100.00		Net Purchase	2,006,201	100.00		Net Purchase	460,698	100.00	

Analysis of change:

In 2024, no single supplier accounted for 10% or more of the total net purchases.

In 2023, purchases from Company A accounted for 15.83% of total procurement, while in the first quarter of 2025, purchases from Company B accounted for 15.12%. These two companies are interchangeable suppliers of bulk chemicals for the company. Due to their competitive pricing and consistent quality, the company continues to procure steadily from them.

B. Information about the main customers in the past two years:

Unit: NT\$ thousand

	2023				2024				During 2025 up to Q1			
	Name	Amount	As a percentage to the yearly net sales (%)	Relationship with the issuer	Name	Amount	As a percentage to the yearly net sales (%)	Relationship with the issuer	Name	Amount	As a percentage to the first quarter net sales of the year (%)	Relationship with the issuer
1	—	—	—	—	—	—	—	—	C	70,043	10.61	—
2	Others	2,227,080	100.00		Others	2,702,450	100.00		Others	590,023	89.39	
	Net Sales	2,227,080	100.00		Net Sales	2,702,450	100.00		Net Sales	660,066	100.00	

Analysis of change:

From 2023 to 2024, no single customer accounted for 10% or more of total net revenue.

In the first quarter of 2025, sales to Company C accounted for 10.61% of total revenue. Company C is a chemical trading firm. The increase in sales was driven by rising customer demand and proactive business development efforts.

3. Employees of the most recent two years and until the date of publication of this annual report:

April 30, 2025

Year		2023	2024	2025 until April 30
Number of employees	Direct employees	154	159	157
	Indirect employees	241	247	250
	Total	395	406	407
Average age (years)		41.22	41.65	41.87
Average years of service (years)		7.47	7.83	8.02
Academic background (%)	Doctor	0.76	0.49	0.49
	Master	11.14	11.08	11.06
	College	48.10	51.00	51.60
	High school	34.94	33.00	32.92
	High school and below	5.06	4.43	3.93

4. Information about environmental protective expenditure

(I) Total loss (including indemnity and environmental protection inspection results in violation of environmental protection laws and regulations) as a result of environmental pollution in the most recent year and until the date of publication of the annual report: none.

(II) Future response measures (including improvement measures) and possible expenditures (including the estimated amount of possible loss, disposition, and compensation due to the failure to take countermeasures):

(1) Our company has not planned any significant capital expenditures for environmental protection. For the year, the estimated routine environmental protection expenditure is approximately NT\$40 million.

(2) Future response measures

- A. Participate in environmental protection forum and collect the latest statutory and regulatory information to ensure compliance with relevant laws and regulations.
- B. Advocate the concept of environmental protection laws and regulations to the employees and strengthen their on-the-job trainings.
- C. Regularly entrust professional environmental protection certification agencies to ensure that the prevention and control equipment is functioning properly.

5. Labor relations

(I) Present the availability and execution of employee welfare, continue education, training, retirement policies, the agreements between employers and employees, and protection

measures of employee's rights.

(1) Employee welfare, employee's continuing education and training

Employee welfare provided by the Company include free lunch, employee health screenings, meal gatherings, subsidies for activities, year-end bonus, parking spaces for locomotives, subsidies for on-the-job training, gifts on three major Chinese festivals, cash gift on birthday, wedding/funeral/childbirth subsidies, employee education & training, and employee activity clubs. In addition, labor insurances are also bought to provide employees with better security. In addition, employees will be entitled to 3 days of paid sick leave per year starting from 2023 year.

(2) Retirement system and implementations

A. Employees who choose to be continuously applicable to the retirement mechanism in the Labor Standards Act or employees who were covered by the Labor Pension Act prior to the enforcement of the Act:

Two bases are given for each full year of service rendered. But for the rest of the years over 15 years, one base is given for each full year of service rendered. The total number of bases shall be no more than 45. The length of service is calculated as half year when it is less than six months and as one year when it is more than six months.

An additional 20% on top of the amount calculated according to the preceding subparagraph shall be given to workers forced to retire due to disability incurred from the execution of their duties.

The Company has appropriated labor pension reserve funds at a certain percentage of the total monthly wages of its employees and deposit such amount in a Bank of Taiwan account.

B. Employees who choose to be continuously applicable to the Labor Pension Act:

Each month, the Company appropriates labor pension reserve funds at a certain percentage stated in the Table of Monthly Contribution Wage Classification and government specifications and deposit such amount in a designated account.

According to the new Labor Pension Act enacted ever since July 1, 2005, the Company appropriates labor pension reserve funds at no less than 6% of the total monthly wages of its employees and deposit such amount in a designated account. Additionally, the Company also handles employee retirement in accordance with the Labor Pension Act and practices governing human resource management of the Company.

(3) Status of measures implemented to protect employees' interest and right:

According to the relevant laws and regulations, both employers and employees are required to follow the service contract, working rules, and various management

regulations, in which the employee rights, obligations, and welfares are clearly defined to protect the employees' rights and interests. Since the establishment of the Company, the Company maintains cordial and harmonious relationship with its employees. With two-way and transparent communications, no dispute arises between the Company and employees, nor loss from the labor dispute that is caused.

- (II) Clearly state the actual or estimated losses (including labor inspection results violating Labor Standards Act) arising from the employment disputes in the recent year up to the publication date of this annual report, and any responsive measures to be taken: none.

6. Information Security Management

- (I) Describe the risk management framework for information and communications security, information and communications security policies, specific management plans, and resources devoted to information and communications security management.

- (1) The risk management framework for information and communications security:

The Company's information security is evaluated by the information department, which is an independent department not affiliated with the user unit, and is responsible for coordinating and implementing internal information security standards and systems, planning and implementing information security operations and information security policies, collecting and improving the technology, products or procedures of the performance and effectiveness of the organization's information security management system, and making timely adjustments as required. Every year, the audit office conducts an information security audit on the internal control system-computer information system operation cycle to evaluate the effectiveness of the company's internal control over information operations.

- (2) information and communications security policies:

- A. There is an internal control system-computer information system operation cycle and information security policy, which regulates the information security operation behavior of the Company's personnel, strengthens information security protection operations according to environmental changes, and cooperates with third-party service providers to strengthen emergency response capabilities.
- B. Regularly evaluate the security of the personnel and information equipment of the unit to ensure that they comply with the information security policy and relevant regulations.
- C. In the outsourcing contract, the security requirements are to be modified at any time according to the actual needs, such as security control measures and operation procedures.

- (3) Information security specific management plans:

- A. Firewall protection: the firewall sets the connection rules, and if there are special connection requirements, additional applications are required to be opened.
- B. User internet control mechanism: automatically filter the websites that users may connect to when using the Internet, including Trojan horses, ransomware or malicious programs.
- C. Anti-virus software: use anti-virus software, and automatically update the virus pattern to reduce the chance of virus infection.
- D. Operation system updates: the system is automatically updated. If it is not updated for some reason, the information department will assist in updating it.
- E. E-mail security control: there is automatic e-mail scanning threat protection. Before users receive e-mails, they should guard against unsafe attachment files, phishing e-mails and junk e-mails, and expand the scope of protection against malicious links. After a personal computer receives an e-mail, the anti-virus software will also scan for unsafe attachment files.
- F. Data backup mechanism: all important information system databases are set for daily backup. Back up the data to other places for safekeeping.
- G. Important file uploading to the server: the important files of each department in the company are stored in the server, and are backed up and kept by the information department.
- H. Carry out disaster restore plan: regularly implement internal core system disaster recovery drill plans to ensure the continuous operation of critical information operations.
- I. Equipment room is equipped with access control to manage the personnel entering and exiting: only information personnel can enter and exit. If colleagues or vendors enter due to business needs, information personnel should accompany them and fill in relevant forms.
- J. Education and training for personnel management and information security: to establish employee awareness of information security, enhance employee security awareness and improve the level of information security.

(4) Resources devoted to information and communications security management:

In order to strengthen information security, we will actively improve and strengthen the capital security defense mechanism, improve the information security protection, establish a joint defense mechanism, and train information security personnel as required.

- (II) Any losses, possible impacts and responses to major information security incidents suffered in the most recent year and up to the date of printing of the annual report: none.

7. Important contracts

Nature	Parties	Term	Main contents	Restrictive clauses
Loan agreement	FUBON BANK	2024.10~2025.10	Credit loan with a general credit limit	N/A
Loan agreement	CTBC BANK	2024.08~2025.08	Credit loan with a general credit limit, secured loan	N/A
Loan agreement	HUA NAN BANK	2013.11~2028.11	Midterm mortgage	N/A
Loan agreement	HUA NAN BANK	2010.05~2025.05	Midterm mortgage	N/A
Loan agreement	HUA NAN BANK	2024.11~2025.11	Credit loan with a general credit limit	N/A
Loan agreement	E.SUN Bank	2024.09~2025.10	Credit loan with a general credit limit, secured loan	N/A
Loan agreement	Land Bank of Taiwan	2010.03~2030.03	Midterm mortgage	N/A
Loan agreement	Land Bank of Taiwan	2025.03~2026.03	Credit loan with a general credit limit	N/A
Loan agreement	Land Bank of Taiwan	2020.02~2040.02	Land and plant financing mortgage	N/A
Loan agreement	Cathay United Bank	2024.07~2025.07	Credit loan with a general credit limit	N/A
Loan agreement	Shanghai Commercial & Savings Bank	2020.08~2025.07	Midterm credit loan	N/A
Loan agreement	Shanghai Commercial & Savings Bank	2024.08~2025.08	Credit loan with a general credit limit	N/A
Loan agreement	Yuanta Bank	2025.03~2026.03	Credit loan with a general credit limit	N/A
Loan agreement	First Commercial Bank	2024.05~2025.05	Credit loan with a general credit limit	N/A
Commercial paper agreement	China Bills Finance Corp.	2024.07~2025.07	Commercial paper	N/A

V. Discussion and Analysis of Financial Status and Financial Performance, and Risk Management

1. Comparative analysis of financial conditions

Explain the main reasons for the significant changes in the company's assets, liabilities and equity in the last two years, their impacts and future response plans.

(I) Financial conditions - International Financial Reporting Standards (Consolidated Financial Statements)

Unit: NT\$ thousand; %

Accounting title \ Year	2023	2024	Increase (decrease)	
			Amount	%
Current asset	2,173,830	2,580,773	406,943	18.72
Property, plant, and equipment	2,074,583	1,937,622	(136,961)	(6.60)
Intangible assets	4,787	4,021	(766)	(16.00)
Other assets	289,740	347,981	58,241	20.10
Total assets	4,542,940	4,870,397	327,457	7.21
Current liabilities	1,647,216	2,000,091	352,875	21.42
Non-current liabilities	724,493	672,629	(51,864)	(7.16)
Total liabilities	2,371,709	2,672,720	301,011	12.69
Share capital	855,421	855,421	—	—
Capital surplus	356,590	356,700	110	0.03
Retained earnings	1,077,293	1,041,177	(36,116)	(3.35)
Other equity	(122,999)	(63,242)	59,757	48.58
Non-controlling interest	4,926	7,621	2,695	54.71
Total shareholder's equity	2,171,231	2,197,677	26,446	1.22
(1) Description of major changes (increased or decreased by NT\$10,000 thousand and 20% or more): A. Other assets increase: Mainly due to the increase in deferred income tax assets in 2024. B. Current liabilities increase: Mainly due to the increase in short-term borrowings in 2024. C. Other equity increase: Mainly due to changes in exchange differences in the translation of financial statements of foreign operating institutions in 2024. (2) Response plan for major changes: The above deviations had no major impact on the Group's financial status, so response plans did not need to be formulated.				

(II) Financial conditions - International Financial Reporting Standards (Parent Company Only Financial Statements)

Unit: NT\$ thousand; %

Accounting title \ Year	2023	2024	Increase (decrease)	
			Amount	%
Current asset	646,874	846,678	199,804	30.89
Property, plant and equipment	1,911,942	1,788,928	(123,014)	(6.43)
Intangible asset	4,779	4,013	(766)	(16.03)
Other assets	1,676,497	1,821,152	144,655	8.63
Total assets	4,240,092	4,460,771	220,679	5.20
Current liabilities	1,351,101	1,592,245	241,144	17.85
Non-current liabilities	722,686	678,470	(44,216)	(6.12)
Total liabilities	2,073,787	2,270,715	196,928	9.50
Share capital	855,421	855,421	—	—
Capital surplus	356,590	356,700	110	0.03
Retained earnings	1,077,293	1,041,177	(36,116)	(3.35)
Other equity	(122,999)	(63,242)	59,757	48.58
Non-controlling interest	—	—	—	—
Total shareholder's equity	2,166,305	2,190,056	23,751	1.10
(1) Description of major changes (increased or decreased by NT\$10,000 thousand and 20% or more): A. Current assets increase: Mainly due to increase in accounts receivable and inventory. B. Other equity increase: Mainly due to changes in exchange differences in the translation of financial statements of foreign operating institutions in 2024. (2) Response plan for major changes: The above deviations had no major impact on the Group's financial status, so response plans did not need to be formulated.				

2. Financial performance

The main reason for the significant changes in operating income, net operating profit, and net profit before tax in the most recent two years, the expected sales volume and its basis, the possible impact on the Company's future financial business, and the corresponding plan.

(I) Business Performance - International Financial Reporting Standards (Consolidated Financial Statements)

Unit: NT\$ thousand; %

Accounting title \ Year	2023	2024	Increase (decrease)	
			Amount	%
Operating income	2,227,080	2,702,450	475,370	21.34
Operating cost	1,970,897	2,333,972	363,075	18.42
Gross profit	256,183	368,478	112,295	43.83
Operating expense	370,157	395,376	25,219	6.81
Operating profit (loss)	(113,974)	(26,898)	87,076	76.40
Non-operating income and expense	24,976	(5,215)	(30,191)	(120.88)
Net profit (loss) before tax	(88,998)	(32,113)	56,885	63.92
Income tax expense	(3,948)	2,590	6,538	165.60
Net income (loss)	(85,050)	(34,703)	50,347	59.20
Net other comprehensive income (loss) after tax	(45,070)	61,039	106,109	235.43
Total comprehensive income (loss)	(130,120)	26,336	156,456	120.24
Description of major changes (increased or decreased by NT\$10,000 thousand and 20% or more):				
(1) Increase in operating revenue and gross profit, and decrease in operating loss, net loss before tax, and net loss: mainly due to improved operating performance driven by business expansion and new product promotion in 2024.				
(2) Decrease in non-operating income and expense: mainly due to the increase in financial costs due to the rise in interest rates and the reduction in the amount of capitalized interest in 2024.				
(3) Increase in net other comprehensive income (loss) after tax: mainly due to the change in the exchange differences on translation of foreign financial statements in 2024.				

(II) Business performance - International Financial Reporting Standards (Parent Company Only Financial Statements)

Unit: NT\$ thousand; %

Accounting title \ Year	2023	2024	Increase (decrease)	
			Amount	%
Operating income	971,110	1,202,421	231,311	23.82
Operating cost	945,956	1,149,096	203,140	21.47
Gross profit	25,154	53,325	28,171	111.99
Operating expense	188,770	200,376	11,606	6.15
Operating profit (loss)	(163,616)	(147,051)	16,565	10.12
Non-operating income and expense	54,970	80,393	25,423	46.25
Net profit (loss) before tax	(108,646)	(66,658)	41,988	38.65
Income tax expense	(22,739)	(29,368)	(6,629)	(29.15)
Net income (loss)	(85,907)	(37,290)	48,617	56.59
Net other comprehensive income (loss) after tax	(45,152)	60,931	106,083	234.95
Total comprehensive income (loss)	(131,059)	23,641	154,700	118.04
Description of major changes (increased or decreased by NT\$10,000 thousand and 20% or more):				
(1) Increase in operating revenue and gross profit, and decrease in operating loss, net loss before tax, and net loss: mainly due to improved operating performance driven by business expansion and new product promotion in 2024.				
(2) Increase in non-operating income and expense: mainly due to the increase in the share of profit or loss of subsidiaries accounted for under the equity method in 2024.				
(3) Increase in net other comprehensive income (loss) after tax: mainly due to the change in the exchange differences on translation of foreign financial statements in 2024.				

(1) Potential effect of the sales quantity expected for the coming year and basis thereof to the Company's future financial business, and countermeasures thereof.

A. Expected sales quantity and basis thereof:

The Company sets annual targets based on the customer's estimated demand, consideration of the overall market environment, capacity planning and past operating results. In response to the diverse needs of the market, the Company continues to develop new products to enhance its competitiveness.

B. Potential impacts on the Company's future financial business and countermeasures thereof:

The Company will focus on the effective use of production capacity and financial resources to meet the needs of business growth.

3. Cash flow

(I) Analysis of cash flow changes during the most recent fiscal year:

Unit: NT\$ thousand

Year Items	2023	2024	Amount of increase or decrease
Operating activities	141,037	3,689	(137,348)
Investing activities	(56,763)	(114,772)	(58,009)
Financing activities	(70,000)	132,756	202,756
Net cash inflow (outflow)	(6,117)	54,878	60,995
Analysis of changes in cashflow:			
(1) Decrease in inflow of operating activities: mainly due to higher working capital requirements resulting from business expansion in 2024.			
(2) Increase in outflow of investment activities: mainly due to the Group's capital planning in 2024, which led to higher investments in financial assets measured at amortized cost.			
(3) Increase in inflow of financing activities: mainly due to higher financing amounts in 2024 and the absence of cash dividend distributions during the period.			

(II) Corrective measures to be taken in response to insufficient liquidity: none.

(III) Liquidity analysis for the coming year

Unit: NT\$ thousand

Cash - beginning balance (1)	Expected net cashflow from operating activities for the year (2)	Expected net cashflow from investing activities for the year (3)	Expected net cashflow from financing activities for the year (4)	Expected cash balance (5)=(1)+(2) + (3)+(4)	Countermeasures against cash insufficiency	
					Investment Plan	Wealth Management Plan
1,250,871	93,170	(31,066)	(45,769)	1,267,206	—	—
(1) Analysis of changes in cashflow in the coming year						
A. Inflow of operating activities: mainly due to operating profit.						
B. Outflow of investment activities: mainly due to the purchase of equipment.						
C. Inflow of financing activities: mainly due to bank borrowing decreased.						
(2) Countermeasures and liquidity analysis for expected insufficiency in cash flow: none.						

4. Effects of any major capital expenditures on financial operations during the most recent year: None.

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

(I) Reinvestment policy: The Company's reinvestment policy is based on the principle of industrial development instead of short-term financial investment.

(II) Investment Policies for the most recent year, Main causes of profits or losses, Improvement plan and Investment plan for the following year:

Unit: NT\$ thousand

Investees	Investment income recognized in 2024	Reinvestment policy	Main causes of profits or losses	Improvement plan	Investment plan for the following year
DBC Group Co., Ltd.	98,055	Holding company	Due to the profit earned by the investee.	—	—
DBC Europe Holding AG	5,511	Holding company	Due to the profit earned by the investee	—	—
DBC Europe GmbH	(472)	Product promotion and customer service	Due to the loss incurred from operating activities.	Strengthen business promotion to expand sales market and the control of operating income.	—
DBC Korea Co., Ltd.	2,864	Product promotion and customer service	Due to the profit gained from operating activities.	—	—
Double Bond Chemical Ind. USA, Inc.	(12,259)	Sales of chemical products	Since the sales situation has not yet reached the scale of the economy.	Strengthen business promotion to expand sales market and the control of operating income.	—
PT. Double Bond Chemindo	2,243	Sales of chemical products	Due to the profit gained from operating activities.	—	—
Double Bond Chemical (Thailand) Co., Ltd.	32	Sales of chemical products	Due to the profit gained from operating activities.	—	—

Investees	Investment income recognized in 2024	Reinvestment policy	Main causes of profits or losses	Improvement plan	Investment plan for the following year
Double Bond Chemical Vietnam Co., Ltd.	5,198	Sales of chemical products	Due to the profit gained from operating activities.	—	—
Double Bond Chemical Global Co., Ltd.	131,233	Holding company	Due to the profit earned by the investee.	—	—
Total Triumph Limited	(34,249)	Holding company	Due to the loss earned by the investee.	—	—
DBC Switzerland AG	5,794	Sales of chemical products	Due to the profit gained from operating activities.	—	—
DOUBLE BOND CHEMICAL (SHANGHAI) CO., LTD.	131,452	Sales of chemical products	Due to the profit gained from operating activities.	—	—
DAFENG XIN YUAN DA CHEMICAL CO., LTD.	(34,280)	Production and sales of chemical products	The main reason is that it has not yet reached the economic scale after resumption of work in 2023.	Adjust production lines according to market demand and group planning and actively strive for customer orders.	—

6. For risk items, the Company shall analyze and assess the following matters in the most recent year and up to the date of publication of the annual report:

(I) The effect of interest, foreign exchange rate fluctuation and inflation rate on the Company's profits and losses, and countermeasures to be taken in the future:

(1) Interest rate

A. Effect on the Company's profits and losses

In order to meet the needs of working capitals for revenue growth, the Company applies to the domestic financial institutions for long-term and short-term borrowings. The net interest expense for 2024 was NT\$25,244 thousand, representing approximately (0.93)% of the net operating income and 78.61% of the pre-tax net loss for the year.

B. Countermeasures to be taken

The Company regularly evaluates deposit and loan interest rates offered by domestic financial institutions and closely monitors changes in market interest rates to assess their potential impact on the Company's funding. Contingency measures are taken as necessary. As a result, fluctuations in interest rates are not expected to have a material impact on the Company's financial performance.

(2) Foreign exchange rate

A. Effect on the Company's profits and losses

The net amount of exchange gains (losses) for the company in 2024 was NT\$9,052 thousand, which accounted for approximately 0.33% of the net operating income and (28.19%) of the pre-tax net loss for the year.

B. Countermeasures to be taken

The finance department continuously monitors exchange rate fluctuations and maintains close contact with financial institutions to grasp international exchange rate trends and changes, and flexibly adjusts foreign currency positions. Additionally, the company primarily adopts a natural hedging policy and conducts forward foreign exchange hedging transactions based on the principle of prudence to reduce the impact of exchange rate volatility on the company's profits and losses.

(3) Inflation

A. Effect on the Company's profits and losses

Affected by the raising price of global raw materials in recent year, the overall economic environment has shown a slight trend of inflation. However, the Company has not experienced any significant impact on profit or loss due to inflation.

B. Countermeasures to be taken

Paying close attention to the fluctuation in the market price of upstream raw materials and maintaining a good interaction with the suppliers, the Company will continue to closely observe the changes in the price index, study the impact of inflation on the Company, and timely adjusts product prices and raw material inventory levels to respond to the risks of inflation.

- (II) The Company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements and guarantees, derivative transactions, the main reasons for the profits/losses generated thereby, and countermeasures to be taken in the future:

Always focusing on the industry and practicality, the Company's financial policy is based on the principle of stableness and conservation without engaging in high-risk investments and highly leveraged investments. The Company has established standard operating procedures such as "Management of Loans to Others", "Management of Endorsement and Guarantees", and "Procedures for Asset Acquisition & Disposal" as the basis for the Company's compliance with relevant activities. The Company will continue to expand production capacity, develop new products, and explore new markets to enhance operational performance.

- (III) Research and development (R&D) plans to be carried out in the future and the expected R&D expenditures:

(1) Future R&D plans

With the development of products and technologies always in line with customer and market needs, the Company pays close attention to the future industry trends to develop products and technologies with market growth and future potential. The future product developmental plan is divided into four major categories:

A. Plastic Additives

- a. Continue to develop environmentally friendly and high efficiency heat stabilizer for PVC
- b. Composite phenol-free anti-smoke additives for polyurethane breast and shoes cotton
- c. Phosphate-free antioxidants for spandex or thermoplastic polyurethane
- d. High-efficiency anti-freeze emulsion antioxidant for PVC polymerization

B. UV Curable Materials

- a. Hammer paint
- b. Skin-feel oligomer
- c. E-paper material
- d. New materials related to PCB inks

C. Digital Textile Materials

- a. Water- and oil-repellent coating varnish for non-woven fabrics
- b. Continue to develop high concentration UV-curing color past
- c. Andydrous dyeing process
- d. Environmentally friendly UV absorber for textiles
- e. Continue to develop digital printing OEM

D. Electronic Materials

- a. Continue to develop 5G/6G materials
- b. Continue to develop other electronic materials
- c. Self-sufficiency in key materials

(2) Further expenditures expected for research and development

The Company plans to allocate R&D expenditures progressively in line with the development timeline of new products and technologies, in order to support future research and development initiatives. The R&D department, in coordination with responsible supervisors, will assess the required manpower and define the scope of R&D projects to determine the estimated investment. The Company will continue to invest in R&D based on market dynamics and project progress, with the aim of expanding operational scale and enhancing overall competitiveness.

(IV) The effect of important changes of policies and legal environments domestically and abroad on the Company's financial operation, and countermeasures to be taken.

By ensuring that the daily business operations are carried out in accordance with relevant laws and regulations and paying close attention to policy trend and statutory & regulatory changes both domestically and abroad, the Company collects relevant information to provide a reference for the decision-makers to adjust the Company's relevant operating strategies. As of the date of publication of this annual report, the Company has not been materially affected by any significant changes in domestic or international policies, laws, or regulations that would impact its financial or business operations.

(V) The impact of technological changes (including cybersecurity risks) and industry shifts on the company's financial operations, as well as corresponding measures.

Independent research and development is a critical component of the Company's operations. Technological advancements enhance the development of R&D expertise and improve product quality. By leveraging technological capabilities, the Company continues to develop new products to drive financial and business growth. The Company has established cybersecurity measures related to its network and IT infrastructure. However, the rapid pace of technological development has also led to increasingly sophisticated cybersecurity threats, including personal data breaches and ransomware attacks. Such incidents may result in operational delays or disruptions, potentially requiring the Company to compensate customers for losses or incur significant costs due to

contractual breaches. To prevent and mitigate the impact of malicious attacks, the Company conducts annual internal social engineering drills and cybersecurity awareness training for employees. In addition, the Company continuously updates and strengthens its cybersecurity controls. Measures include the implementation of endpoint protection systems, server endpoint detection and response (EDR), intrusion detection and prevention systems (IDPS), email sandbox analysis, threat isolation, and forensic analysis mechanisms. These efforts aim to enhance email security and reduce the risk of incidents involving confidential or sensitive data.

As of the date of publication of this annual report, the Company has not experienced any material impact on its financial or business operations due to technological changes (including cybersecurity risks) or industry developments.

- (VI) Effects of changes of the corporate image on the Company's crisis management, and countermeasures to be taken.

Since its establishment, the Company has remained focused on its core business operations, complied with relevant laws and regulations, and actively enhanced management quality and performance to maintain a strong corporate image and reinforce stakeholder trust. In recent years and as of the date of publication of this annual report, the Company has not experienced any operational crises resulting from changes in corporate image. The Company will continue to implement corporate governance practices to mitigate the occurrence of business risks.

- (VII) Expected benefits and possible risks associated with any merger and acquisitions, and countermeasures to be taken.

In the most recent year and up to the date of publication of the annual report, the Company has no plans for mergers and acquisitions. However, if there is any merger and acquisition plan in the future, the Company will carefully evaluate the plan in accordance with relevant laws and regulations and relevant management measures formulated by the Company to protect the Company's interest and shareholders' equity.

- (VIII) Expected benefit and possible risk associated with plant expansion, and countermeasures to be taken.

To align with the Group's overall operational strategy and to increase the proportion of in-house production, the Company has gradually introduced new product manufacturing at the Yilan plant and continues to enhance its operational efficiency. However, business operations and investments inherently involve risks. In addition, macroeconomic cycles, industry competition, and economic downturns, among other uncertainties, may adversely impact the Company's capacity expansion efforts and pose risks to achieving economies of scale.

- (IX) Risks associated with purchasing or sales consolidation, and countermeasures to be

taken.

The Company maintains strong relationships with both suppliers and customers. To mitigate the risks associated with concentration in procurement and sales, the Company continues to expand its market share, increase the number of customers, and actively seek alternative suppliers to ensure supply stability. In terms of procurement, the Company adheres to the principle of maintaining at least two suppliers for each key material to secure a stable supply source. On the sales side, no single customer accounts for a significant portion of total sales, thereby eliminating the risk of sales concentration.

- (X) Effect upon and risk to the Company in the event a major quantity of shares held by a director, a supervisor, or a major shareholder with more than 10% shareholding has been transferred or changed hands, and countermeasures to be taken.

In the most recent year and up to the date of publication of the annual report, there is no significant effect upon and risk to the Company in the event a major quantity of shares held by a director, a supervisor, or a major shareholder with more than 10% shareholding has been transferred or changed hand since it mainly involved personal wealth planning.

- (XI) Effect upon and risk to Company associated with any changes in governance personnel or top management, and countermeasures to be taken.

In the most recent year and up to the date of publication of the annual report, there are no changes in governance personnel or top management.

- (XII) Litigation and non-litigation matters: List major litigation, non-litigation administrative disputes that involve the Company and/or any of the Company's directors, supervisors, presidents, any persons with actual responsibility for the Company, and major shareholders holding a stake of greater than 10 percent, and/or any company or companies controlled by the Company and have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the Company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report: Not applicable.

- (XIII) Other important risks, and countermeasures to be taken: none.

7. Other important matters: none.

VI. Special items to be included

1. Information related to the Company's affiliates:

(I) Related Party Consolidated Business Report: Please refer to the Market Observation Post System (MOPS).

Path: MOPS > Individual Company > Electronic Document Download > Related Party Disclosure Section

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

(II) Consolidated Financial Statements of Related Parties:

For the year 2024 (January 1 to December 31, 2024), the companies included in the preparation of the consolidated financial statements of related parties, in accordance with the "Regulations Governing the Preparation of Consolidated Business Reports, Consolidated Financial Statements, and Affiliation Reports of Affiliated Enterprises," are the same as those included under IFRS 10 for the preparation of parent-subsidary consolidated financial statements. As all required disclosures for the consolidated financial statements of related parties have already been included in the aforementioned parent-subsidary consolidated financial statements, a separate set of consolidated financial statements for related parties has not been prepared.

(III) Affiliation Report: Not applicable.

2. Status of private placement of securities in the most recent year and up to the date of publication of the annual report: none.

3. Other matters that require additional description: none.

4. Significant issues which might affect shareholders' equity or price of shares pursuant to paragraph 3(2) of Article 36 of the Securities and Exchange Act in the most recent year and up to the publication of the annual report: none.