

Stock code: 2392



Cheng Uei Precision Industry Co., Ltd.

2024 Annual Report

Published on April 15, 2025

Annual report query URL:

- Market Observation Post System : <http://mops.twse.com.tw>
- The Company's website : <http://www.foxlink.com>

I. The Company's spokesperson and acting spokesperson

Spokesperson: Liu Su-Fang

Position: Special Assistant

Acting spokesperson: Luo Chi-Wei

Position: Director

Contact Phone: 02-2269-9888

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II. Company address and telephone

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III. Stock transfer agency

Name: Grand Fortune Securities Co., Ltd.

Address: 6th Floor, No. 6, Section 1, Zhongxiao West Road, Zhongzheng District, Taipei City

Phone: 02-2371-1658

Website: www.gfortune.com.tw

IV. The name, address, telephone number and website of the certified public accountant for the most recent financial report

Accountant names: Hsiao-Tzu, Chou and Yi-Chang, Liang

Name of accounting firm: PricewaterhouseCoopers (PwC)

Address: 27th Floor, No. 333, Section 1, Keelung Road, Taipei City

Phone: 02-2729-6666

Website: www.pwc.com.tw

V. The name of any exchange where the Company's securities are traded offshore, and the method by which to access information on the said overseas securities

The company has no overseas securities listed for trading as of the date of publication

VI. Address of the Company's website: www.foxlink.com

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I. Letter to Shareholders

Here, a report on the business status of the Company in 2024 is given as follows:

The Company's consolidated net operating revenues for 2024 came to NTD 98,397,461 thousand; compared with the consolidated net operating revenue of NTD 90,550,764 thousand in 2023 and this marked an increase of 8.7%. Net profit after tax in 2024 was NTD 1,687,146 thousand and after-tax earnings per share came to NTD 3.65. This represented an increase of 15.8% from the net profit after tax of NTD 1,457,132 thousand or NTD 3.09 per share seen in 2023. Both the Group's revenue and profit have increased compared to the previous year. We would like to express our sincere gratitude to all employees for their hard work and dedication, as well as to all shareholders for their support over the past year.

The Company's revenue and profit in 2024 increased compared to the previous year, mainly due to contributions from the new energy business. As new energy projects sequentially reached their milestones, the corresponding project payments were recognized as revenue. Furthermore, the government's promotion of deep energy-saving policies and the increased demand for green electricity trading drove the signing of renewable energy power purchase agreements, propelling revenue and profit growth. As for the 3C components segment, revenue saw a slight decline due to fluctuations in customer market sales. However, the system products segment demonstrated stable revenue growth by effectively capturing customer demand. The retail channel experienced an impact on overall group retail sales due to reduced customer traffic in Hong Kong and a lack of price competitiveness, leading to changes in consumer behavior.

The global economic growth in 2024 was lower than the average level in 2023 due to several factors including high interest rates, geopolitical risks, and weak economic recovery in China. Looking ahead to 2025, the global economy is expected to continue to develop under the promotion of AI and artificial intelligence technology innovation, and with the gradual recovery of global trade activities. However, geopolitical risks, trade uncertainties, and supply chain disruptions caused by extreme weather remain significant challenges that cannot be ignored and may introduce variability to economic growth. The Company pays close attention to the global economic trends, flexibly responds to potential risks to respond to market changes, follows customer needs, grasps the trend of technological innovation, and continues to launch products that meet market expectations.

In order for the Company to grow and thrive on a continuous and stable basis and create greater profits for shareholders, we must be prepared to face challenges and resolve problems. We have absolute confidence to move toward the set goals, create best business performance for the Company and go after maximum profits for shareholders. I hope that all shareholders can continue to provide support and encouragement to the Company. Finally, I wish all shareholders all the best and that all your hopes be fulfilled.

1. 2024 Business Results

3.1 Business Plan Implementation Results

Unit: NTD Thousand

Item	2024	2023	Growth rate
Operating revenue	98,397,461	90,550,764	8.67%
Operating costs	85,904,391	78,856,852	8.94%
Operating gross profit	12,493,070	11,693,912	6.83%
Operating Expenses	8,975,244	8,793,890	2.06%
Other gains and losses, net	0	118,111	
Operating profit	3,517,826	3,018,133	16.56%
Non-operating income and expenses	487,234	118,168	312.32%
Net profit before tax	4,005,060	3,136,301	27.70%
Net profit for the period	2,522,380	2,101,822	20.01%
Net after-tax of other comprehensive profits and losses for the current period	1,545,227	(760,444)	303.20%
Total comprehensive income for the period	4,067,607	1,341,378	203.24%

3.2 Budget Implementation

The Company did not prepared 2024 financial forecasts, so this is not applicable.

3.3 Financial Income and Expenditure Status

Unit: NTD Thousand

Item	2024	2023	Amount of change
Net cash inflow (outflow) from operating activities	3,764,439	2,525,347	1,239,092
Net cash inflow (outflow) from investing activities	(18,632,739)	(3,662,487)	(14,970,252)
Net cash inflow (outflow) from financing activities	16,951,216	4,951,849	11,999,367

3.4 Profitability Analysis

Year		2024	2023
Return on assets (%)		2.80	2.55
Return on shareholders' equity (%)		6.54	5.75
Contribution to paid-in capital Percentage (%)	Operating profit	68.66	58.91
	Net profit before tax	78.17	61.22
Net profit margin (%)		2.56	2.32
Earnings per share for the period (NTD) (Note)		3.65	3.09

Note: Earnings per share is calculated based on the number of shares after retrospective adjustment.

3.5 Research and development status of the Company

The main research and development directions and strategies of the Company are:

- (1) Closely integrate technology into products to generate differentiated competitive advantages.
- (2) Integrate the technical fields of materials, machinery, electronics, optics, electroacoustics, etc.; e.g., through: optical inspection automation, engineering analysis capabilities, secondary processing electroplating technology, antenna design, and wire nano coating development.
- (3) Build professional laboratories for high frequency technology, electroacoustic technology, surface technology, power and so on.
- (4) Lead and continue to develop various halogen-free, lead-free materials and application products that meet future environmental protection requirements.
- (5) Participate in the development process of customers' new products to provide them with various solutions and technical support.
- (6) Strengthen the ability to integrate existing technologies and evaluate and introduce new product development technologies.
- (7) Integrate the technology platform of electro-optic sound to expand products and market share.
- (8) Pay attention to the development of green technology, including energy-saving and carbon emission reduction technologies, renewable energy applications, and develop corresponding products and solutions, and create contributions to a sustainable environment.
- (9) Develop cloud computing and edge computing technologies and modules, and provide related cloud services and data analysis solutions.
- (10) Development of artificial intelligence (AI) related applications and products.

2. Business Plan Summary for 2025

3.1 Business Strategy

3.1.1 Business Purpose:

With core capabilities in molds, forms, stamping, secondary processing, and automation, integrate materials, machinery, electronics, optics, electroacoustics, energy, assembly, and R&D technology. Establish a global marketing and supply chain management network to provide customers with high-quality products in a timely manner, oriented by consumer electronics, information, communications, and automotive market demand; and create value for customers by combining digital content, environmental protection, and energy saving. Constantly seek to surpass ourselves based on concepts of sincerity, a holistic view, and conscientiousness, using our team spirit to create an optimal business performance for the enterprise.

3.1.2 Business Philosophy:

- (1) Sincerity: Simplicity and pragmatism, and being as good as one's word
Keeping promises is an important value to establish long-term cooperative relations with customers and suppliers, so as to take creation of long-term benefits for all three parties as a direction for our thinking.
- (2) Holistic view:
Great things can only be achieved with tolerance, and small beginnings yield major trends
By applying technological innovation, accumulating practical experience, and constantly pursuing self-transcendence and accumulated achievements, only then can the Company become a representative of the high-tech industry.
- (3) Conscientiousness: Making an all-out effort, with a unity of knowledge and action
From the capital, technology, and human resources used to coordinate our plans and from execution to assessment, there is a complete and consistent operational system that demonstrates its performance in a wide range of work functions; and the results of these

joint efforts have created the Company's core competitiveness.

3.2 Expected Sales Volume And Its Basis

The Company's products are mainly components of communications and consumer electronics. With the active expansion of customers and the development of new products this year, it is expected that the sales volume of each product will reach a trend of steady growth.

3.3 Important Production And Sales Policies

Continuously improve internal management capabilities to reduce various production costs and provide customers with the best service and technical resources, establishing a good cooperative relationship with customers to achieve a win-win goal.

3. Future Development Strategy for The Company

- (1) The Company will position itself under the OEM, ODM, and JDM models as it commits to consumer electronics, computers, communications, automotive electronics, digital content, and other product markets.
- (2) We will utilize the Company's core capabilities: Development will center on molds, forms, stamping, secondary processing, and automation, and thereupon integrate technical fields encompassing materials, machinery, electronics, optics, electroacoustics, energy saving, and environmental protection. In this way, we can develop differentiated competitive advantages over our competitors.
- (3) We will use our customer orientation, closeness to market leaders, and joint development of new products to create value for the Company.
- (4) We will deeply cultivate existing customers, expand different product lines for current customers, and provide customers with diversified products and services.
- (5) From materials, parts, components to system products, we will leverage and strengthen the company's vertical integrated manufacturing advantages to reduce manufacturing costs and enhance competitiveness.
- (6) In response to the diversified needs of the global supply chain, the Company established a production base in Da Nang, Vietnam, to enhance the global competitiveness.
- (7) We will establish development and mass production manufacturing capabilities for key components in order to obtain an irreplaceable competitive advantage.
- (8) We will develop the retail channel market, be close to consumers and grasp market demand and trends, and then combine the advantages of production and sales to develop a new niche for the Company. This will also establish an irreplaceable competitive advantage.
- (9) Invest in renewable energy power plants, including solar, wind, water, and gas to facilitate the development of the green energy economic circular ecological chain, and develop energy-saving services, energy storage services, electromechanical engineering, power plant maintenance and operation, and green power trading platforms to create resource efficiency and a circular economy.

4. Effects of The External Competitive Environment, Regulatory Environment, and Overall Business Environment

Due to the instantaneous changes in the external environment and industry, the competition faced by the Company is no longer limited to Taiwan, but in all parts of the world. The targets of the Company's services are world-class customers. Therefore, "value creation" and "cost optimization" are the most important issues for the Company's sustainability in order to meet the global competition environment and survival requirements. The Company must create product value, service value and differentiated value in order to develop customers and meet their diverse needs. At the same time, the Company must be able to improve production efficiency and reduce production costs in order to gain a competitive advantage, attracting new customers and expanding into new markets.

At the same time, in the retail channel market, it is necessary to be able to grasp the acceptance and preference of consumers for all kinds of new 3C products at any time. We must understand the consumption habits and tendencies of target consumers in various regions, so as to propose different sales strategies to respond. In addition, we should offer different services and product content from competitors to strengthen our competitive advantage.

Green energy is supported by policies and regulations. In the face of a rapidly changing business environment, in addition to continuously controlling fixed costs and improving the competitiveness and timeliness of product costs, we also use the Company's relevant resources to develop forward-looking products to strengthen product differentiation and competitiveness.

Responsible person: T.C. Gou

Manager: T.C. Gou

Accountant in charge: Chen-Phan Pu

II. Corporate Governance Report

1. Information on Directors, Supervisors, The General Manager, Deputy General Managers, Associate Managers, and Supervisors of Various Departments and Branches:

1.1 Directors and Independent Director:

Director Information (I)

March 31, 2025 Unit: Thousand shares

Job Title	Nationality	Name	Gender / Age	Date elected	Tenure	Initial selection Appointment date	Time of appointment Shareholding		Current Shareholding		Spouse and minor children current shares held		Shares held in the name(s) of others		Main educational and professional background	Office(s) concurrently held in the Company and other companies	Spouse or relatives within the second degree of kinship or closer acting as other supervisors, directors, or supervisors			Remarks
							Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Position	Name	Relationship	
Chairperson	ROC	Hsin Hung International Investment Co., Ltd.	–	2023.05.31	3 years	1997.01.17	100,535	19.62%	100,535	19.62%	0	0	0	0	–	–	–	–	–	–
		T.C. Gou (Note 1)	Male 71~75	2023.05.31	3 years	1997.01.17	6,009	1.17%	6,009	1.17%	46	0.01%	0	0	University graduate, President of Hon Hai Company	Note 6	–	–	–	Note 5
Director	ROC	Hsin Hung International Investment Co., Ltd.	–	2023.05.31	3 years	1997.01.17	100,535	19.62%	100,535	19.62%	0	0	0	0	–	–	–	–	–	–
		T.C. Wang (Note 1)	Male 61~70	2023.05.31	3 years	1998.06.11	24	0	24	0	0	0	0	0	University graduate, Chairperson of Quark Opto-Electronics	Note 6	–	–	–	–

Job Title	Nationality	Name	Gender / Age	Date elected	Tenure	Initial selection Appointment date	Time of appointment Shareholding		Current Shareholding		Spouse and minor children current shares held		Shares held in the name(s) of others		Main educational and professional background	Office(s) concurrently held in the Company and other companies	Spouse or relatives within the second degree of kinship or closer acting as other supervisors, directors, or supervisors			Remarks
							Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Position	Name	Relationship	
Director	ROC	Fu Lin International Investment Co., Ltd.	-	2023.05.31	3 years	1997.01.17	3,211	0.63%	3,211	0.63%	0	0	0	0	-	-	-	-	-	-
		James Lee (Note 2)	Male 61~70	2023.05.31	3 years	2002.05.30 (Note 4)	0	0	0	0	0	0	0	0	University graduate, Group General Manager of Communication System Business of Cheng Uei Company	Note 6	-	-	-	-
Director	ROC	Fu Lin International Investment Co., Ltd.	-	2023.05.31	3 years	1997.01.17	3,211	0.63%	3,211	0.63%	0	0	0	0	-	-	-	-	-	-
		Eric Huang (Note 2)	Male 61~70	2023.05.31	3 years	2020.06.19	8	0.00%	8	0.00%	0	0	0	0	Research institute graduate, Component Business Group General Manager of Cheng Uei Company	Note 6	-	-	-	-
Director	ROC	Foxlink Taiwan Industry Co., Ltd.	-	2023.05.31	3 years	2023.05.31	916	0.18%	916	0.18%	0	0	0	0	-	-	-	-	-	-
		Chen-Phan Pu (Note 3)	Male 71~75	2023.05.31	3 years	2020.12.13	32	0.01%	32	0.01%	63	0.01%	0	0	College graduate, Vice President of Cheng Uei Company	Note 6	-	-	-	-

Job Title	Nationality	Name	Gender / Age	Date elected	Tenure	Initial selection Appointment date	Time of appointment Shareholding		Current Shareholding		Spouse and minor children current shares held		Shares held in the name(s) of others		Main educational and professional background	Office(s) concurrently held in the Company and other companies	Spouse or relatives within the second degree of kinship or closer acting as other supervisors, directors, or supervisors			Remarks
							Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Position	Name	Relationship	
Independent Director	ROC	Randy Lee	Male 61~70	2023. 05.31	3 years	2014. 06.12	0	0	0	0	0	0	0	0	Master's Degree from Missouri University, U.S.A.; Chairman of ETtoday	Note 7	-	-	-	-
	ROC	Chien-Chung Fu	Male 51~60	2023. 05.31	3 years	2017. 06.08	0	0	0	0	0	0	0	0	Ph.D., Karlsruhe Institute of Technology, Germany Assistant Professor/Associate Professor/Professor, Institute of Nano Engineering and Microsystems, National Tsing Hua University	Note 7	-	-	-	-
	ROC	Jing-Mi Tang	Male 61~70	2023. 05.31	3 years	2017. 06.08	0	0	0	0	9	0	0	0	Ph.D. in Aerospace Engineering from Georgia Institute of Technology, U.S.A. Associate Professor	Note 7	-	-	-	-
	ROC	Chih-Yang Tseng	Male 41~50	2023. 05.31	3 years	2023. 05.31	0	0	0	0	0	0	0	0	PhD, Accounting, University of Maryland	Note 7	-	-	-	-

Note 1: Representative of Hsin Hung International Investment Co., Ltd.

Note 2: Representative of Fu Lin International Investment Co., Ltd.

Note 3: Representative: of Foxlink Taiwan Industry Co., Ltd.

Note 4: Served as a director of the Company from 2002.5.30 to 2014.6.11.

Note 5: **If the Company's chairman and general manager or equivalent (top manager) are the same person, or spouse or relative within one degree of kinship to the other, the reason, rationality, necessity and relevant information of the corresponding measures should be explained:**

The Chairman of the Company also serves as the President, mainly to improve the efficiency of operation and management and the execution of decision-making. At present, more than half of the members of the Board of Directors are not concurrently serving as employees of the Company, so the independence of the board of directors is secure. In addition, the Chairman of the Board of Directors also closely communicates with the directors about the Company's operating status and planning guidelines to implement corporate governance. In the future, the Company plans to increase one independent directors in 2023 to enhance the functions of the Board of Directors and strengthen the supervision function.

Note 6: The current positions held by the directors in the Company and other companies are listed in the table below.

Director	Company Name	Title
T.C. Gou	CENTRAL MOTION PICTURE BADE CO., LTD.	Chairperson
	CENTRAL MOTION PICTURE CORPORATION	Chairperson
	CENTRAL MOTION PICTURE CULTURE CITY CO., LTD.	Chairperson
	CENTRAL MOTION PICTURE INTERNATIONAL CORPORATION LIMITED	Chairperson
	CENTRAL MOTION PICTURE USA CORPORATION	Director
	CHENG UEI PRECISION INDUSTRY CO., LTD.	Chairperson
	CMPC CULTURAL & CREATIVE CO., LTD.	Chairperson
	CMPC CULTURAL & CREATIVE CO., LTD.	Chairperson
	DEEPWATERS DIGITAL SUPPORT INC.	Chairperson
	DU PRECISION INDUSTRY CO., LTD	Chairperson
	FIT HOLDING CO., LTD.	Chairperson
	FOXLINK IMAGE TECHNOLOGY CO., LTD.	Chairperson
	FOXLINK INTERNATIONAL INVESTMENT LTD.	Chairperson
	GLORY SCIENCE CO., LTD.	Chairperson
	HSIN HUNG INTERNATIONAL INVESTMENT CO., LTD.	Chairperson
	LUMINYS SYSTEMS CORPORATION	Director
	MICROLINK COMMUNICATIONS INC.	Chairperson
	PILOT TIME LIMITED	Director
	POWER QUOTIENT INTERNATIONAL CO., LTD.	Chairperson
	REMARKABLE FIRST LIMITED	Director
	SHINFOX ENERGY CO., LTD.	Chairperson
	STUDIO A INC.	Chairperson
	WELL BENEFIT LIMITED	Director

Director	Company Name	Title
T.C. Wang	CORE PACIFIC DEVELOPMENT CORPORATION	Chairperson
James Lee	MICROLINK COMMUNICATIONS INC.	Director
	CAPITAL CONCORD SECURITIES LTD.	Chairperson
Eric Huang	CEBG of CHENG UEI PRECISION INDUSTRY CO., LTD.	President
Pu Chen Phan	ASHOP CO., LTD.	Supervisor
	CAPITAL GUARDIAN LIMITED	Director
	CE LINK INTERNATIONAL LTD.	Director
	CENTRAL MOTION PICTURE CORPORATION	Supervisor
	CENTRAL MOTION PICTURE INTERNATIONAL CORPORATION LIMITED	Supervisor
	CHENG SHIN DIGITAL CO., LTD.	Supervisor
	CHENG UEI PRECISION INDUSTRY CO., LTD.	Chief Financial Officer (CFO)
	CHENG UEI PRECISION INDUSTRY CO., LTD.	Director
	CMPC CULTURAL & CREATIVE CO., LTD.	Supervisor
	CU INTERNATIONAL LTD.	Director
	CULINK INTERNATIONAL LTD.	Director
	CYNC DESIGN CO., LTD.	Director
	DARTZ TECHNOLOGIES CORPORATION	Supervisor
	DONGGUAN FUQIANG ELECTRONICS CO., LTD	Director
	FOXLINK INDIA ELECTRIC PRIVATE LIMITED	Director
	FOXLINK INTERNATIONAL INC.	Director
	FOXLINK TAIWAN INDUSTRY INTERNATIONAL CO., LTD.	Supervisor
	FOXLINK TECHNOLOGY LIMITED	Director
	FOXLINK VIETNAM CO., LTD.	Director
	FOXWELL ENERGY CORPORATION LTD.	Supervisor
	FOXWELL POWER CO., LTD.	Director
	FU GANG ELECTRONIC (NAN CHANG) CO.,LTD.	Legal Representative / Director
	FU LIAN INTERNATIONAL INVESTMENT CO., LTD.	Supervisor
	FU LIN INTERNATIONAL INVESTMENT CO., LTD.	Supervisor
	FU SHI XIANG RESEARCH & DEVELOPMENT CENTER (KUNSHAN) CO.,LTD	Supervisor
	FUGANG (TIANJIN) CO., LTD.	Director
	FUGANG ELECTRIC (KUNSHAN) CO.,LTD.	Director
	FUGANG ELECTRIC (XUZHOU) CO.,LTD.	Legal Representative / Executive Director
	FUGANG ELECTRIC (YANCHENG) CO.,LTD.	Supervisor
	FUGANG ELECTRONIC (DONGGUAN) CO,LTD	Legal Representative / General Manager

Director	Company Name	Title
Pu Chen Phan	FUQIANG ELECTRIC (YANCHENG) CO.,LTD.	Supervisor
	FUSHINENG ELECTRONICS (KUN SHAN) CO., LTD.	Legal Representative / Director
	GLORY OPTICS (YANCHENG) CO., LTD.	Supervisor
	GLORYTEK (YANCHENG) CO., LTD.	Supervisor
	JIANGSU FOXLINK NEW ENERGY TECHNOLOGY CO., LTD.	Supervisor
	JING JING TECHNOLOGY CO., Ltd.	Supervisor
	KUNSHAN FU SHI YOU TRADING CO., LTD.	Supervisor
	KUNSHAN FUGANG ELECTRIC TRADING CO.,LTD.	Supervisor
	KUNSHAN FUGANG INVESTMENT CO.,LTD.	Supervisor
	MICROLINK COMMUNICATIONS INC.	Supervisor
	MICROLINK COMMUNICATIONS INC.	Supervisor
	NEW START INDUSTRIES LTD.	Director
	SHANGHAI FUGANG ELECTRIC TRADING CO., LTD.	Supervisor
	SHANGHAI STANDARD INFORMATION TECHNOLOGY CO., LTD	Supervisor
	SHIH FONG POWER CO., LTD.	Supervisor
	SHINFOX NATURAL GAS CO., LTD.	Supervisor
	STRAIGHT A INC.	Supervisor
	STUDIO A INC.	Supervisor
	SUNTAIN CO., LTD.	Director
	SUZHOU KEYU RUI AUTOMOBILE TECHNOLOGY CO., LTD.	Supervisor
	TAIFU INTERNATIONAL INVESTMENT CO., LTD.	Supervisor
	VA Product Inc.	Supervisor
	WORLD CIRCUIT TECHNOLOGY CO., LTD	Supervisor
	YANCHENG YAOWEI TECHNOLOGY CO., LTD	Supervisor

Note 7: The current independent directors hold positions in this company and other companies as listed in the table below.

Independent Director	Company Name	Title
Randy Lee	CHINESE CULTURE UNIVERSITY ALUMNI ASSOCIATION	Vice Chairman
	TOP INTERNATIONAL CO., LTD.	Director
Chien-Chung Fu	NATIONAL TSING HUA UNIVERSITY DEPARTMENT OF POWER MECHANICAL ENGINEERING	Professor
	SAUL TECH TECHNOLOGY CO.,LTD	Independent Director
Jing-Mi Tang	TAMKANG UNIVERSITY	Vice Professor
Chih-Yang Tseng	NATIONAL TAIWAN UNIVERSITY DEPARTMENT OF ACCOUNTING	Vice Professor

Major Shareholders of Corporate Shareholders

Names of Corporate Shareholders	Major Shareholders of Corporate Shareholders	Percentage of Shareholding
Hsin Hung International Investment Co., Ltd.	British Virgin Islands Shangling Co., Ltd.	84.7%
Fu Lin International Investment Co., Ltd.	British Virgin Islands Shangmeijia Co., Ltd.	87.5%
Director of Foxlink Taiwan Industry Co., Ltd.	Director of Tai Fu International Investment Co., Ltd.	83.0%

Major Shareholders of Major Shareholders Who are Juridical Persons

Names of Corporations	Major Shareholders of Corporations	Percentage of Shareholding
British Virgin Islands Shangling Co., Ltd.	Well Benefit Ltd.	100%
British Virgin Islands Shangmeijia Co., Ltd.	Well Benefit Ltd.	100%
Tai Fu International Investment Co., Ltd.	Remarkable First Limited	62.1%
	Hsin Hung International Investment Co., Ltd.	37.9%

Director Information (II)

(1) Disclosure of Information on The Professional Qualifications of Directors and The Independence of Independent Directors:

<div style="text-align: center;">Terms</div> <div style="text-align: left;">Name</div>	Professional Qualifications and Experience	Independence Criteria	Number of other public companies where he/she/it concurrently serves as an independent director
Chairperson T.C. Gou	Currently as the Chairman of the Company, FIT Holding Co., Ltd., Shinfox Energy Co., Ltd., and other publicly listed companies; has more than five years of work experience in business and finance, as well as experience needed to conduct the Company's business; has been committed to business operation in the electronic component industry for more than 30 years; possesses leadership, marketing, business management, and strategic planning abilities to lead the Company to become a pioneer in the industry and achieve sustainable development.	Non-Independent Director	None
Director T.C. Wang	Currently as the Chairman of Core Pacific Development Corporation; has more than five years of work experience in business and finance as well as experience needed to conduct the Company's business; has an international perspective, strategic planning ability, and global professional market competition judgment ability, and innovative leadership.		None
Director Eric Huang	As the General Manager of the Company's CEBG concurrently; has more than five years of work experience in business as well as experience needed to conduct the Company's business; has business management and strategic planning abilities; specializes in market strategy and has extensive experience in business promotion.		None
Director James Lee	As the General Manager of the Company's Communication Products Business Group concurrently and the President of Glory Science Co., Ltd.; has more than five years of work experience in business as well as experience needed to conduct the Company's business; has business management and strategic planning abilities; specializes in market strategy and has extensive experience in business promotion.		None
Director Chen-Phan Pu	As the Company's financial accounting supervisor concurrently; has more than five years of work experience in business, finance, and accounting, as well as experience needed to conduct the Company's business; specializes in corporate financial and accounting affairs; possesses professional leadership, business management, and strategic planning capabilities, and has extensive experience in business planning.		None

<div>Terms</div> <div>Name</div>	Professional Qualifications And Experience	Independence Criteria	Number of other public companies where he/she/it concurrently serves as an independent director
Independent Director Randy Lee	As the convener of the Company's Audit Committee, Remuneration Committee, Corporate Governance and Sustainable Development Committee; used to be the Chief Operating Officer of Eastern Home Shopping & Leisure Co., Ltd., the Chairman of ETtoday, and the Vice President of the Ting Hsin International Group; has more than five years of work experience in business and finance as well as experience needed to conduct the Company's business; has an international perspective, global professional market competition judgment ability, and innovative leadership.	(1) Not an employee of the Company or its affiliates. (2) Not a director or supervisor of the Company or its affiliates. (3) No one percent or more of the total issued shares of the Company are held by him/her or his/her spouse, or minor children or on his/her behalf, or none of their shareholding percentage is among top ten shareholders. (4) Not a manager listed in (1) or spouse or relative within the second degree of kinship of (2) or (3) or immediate blood relation within the third degree of kinship.	None
Independent Director Chien-Chung Fu	As a member of the Company's Audit Committee, Remuneration Committee, Corporate Governance and Sustainable Development Committee, a professor, Department of Power Machinery, National Tsing Hua University, and an independent director at Saultech Technology Co., Ltd.; has more than five years of experience in teaching relevant disciplines, including business and disciplines needed to conduct the Company's business as a professor at public and private colleges and universities; has more than five years of work experience in business as well as experience needed to conduct the Company's business; is committed to the nano-engineering research and provides professional advice on the Company's product development and sales.	(5) Directors and supervisors who are indirect shareholders who hold more than 5% of the Company's total issued shares, the top five shareholders, or juristic person shareholders who appoint representatives to act as company directors or supervisors in accordance with Article 27, Paragraphs 1 or 2 of the Company Act, or an employee thereof. (6) Not a director, supervisor, or employee of another company controlled by the same person with more than half of the shares with voting rights on the Company's board of directors.	1
Independent Director Jing-Mi Tang	As a member of the Company's Audit Committee, Remuneration Committee, Corporate Governance and Sustainable Development Committee and an associate professor, Department of Aerospace Engineering, Tamkang University; has more than five years of experience in teaching relevant disciplines, including business and disciplines needed to conduct the Company's business as a professor at public and private colleges and universities; has more than five years of work experience in business as well as experience needed to conduct the Company's business;	(7) Not a director, supervisor, or employee of another company or institution whose chairman, general manager, or equivalent position is the same person as that of the Company, or the spouse thereof. (8) Not a director, supervisor, manager, or shareholder holding more than 5% of a	None

<div>Terms</div> <div>Name</div>	Professional Qualifications And Experience	Independence Criteria	Number of other public companies where he/she/it concurrently serves as an independent director
Independent Director Chih-Yang Tseng	is committed to the aerospace engineering research and provides professional advice on the Company's product development and sales.	particular company or institution with financial or business dealings with the Company.	
	Member of the Company's Audit Committee, Remuneration Committee, and Corporate Governance and Sustainable Operation Committee. She is an associate professor of the Department of Accounting, National Taiwan University. She has more than five years of work experience in commerce, finance, accounting, and company operations, specializing in Corporate governance and accounting related affairs.	(9) Not a partner, director, supervisor, manager, or spouse thereof of a company or institution that provides commercial, legal, financial, financial, accounting services or consultation to the Company or any affiliate of the Company for amounts exceeding NT\$500,000 in the past two years. (10) He/she is not the spouse or relative within the second degree of kinship of another director. (11) He/she does not fall into the circumstances in the provisions of Article 30 of the Company Act. (12) No provision to be elected by a government or juristic person or their representative under Article 27 of the Company Act.	

(2) Board Diversity and Independence:

A. Board Diversity

- **The Company's Corporate Governance Best Practice Principles stipulates that the Company shall consider the principle of diversity for the composition of the Board of Directors and formulate an appropriate diversity policy based on its operation, operating model, and development needs. The policy should include but is not limited to the following two criteria:**
 - (a) Basic criteria and values: gender, age, nationality, and culture.
 - (b) Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.
- **The board members shall generally possess the knowledge, skills, and qualities needed to perform their duties. To achieve the ideal goals of corporate governance, the board of directors as a whole should possess the capabilities and skills below:**
 - (a) Business judgment
 - (b) Accounting and financial analysis
 - (c) Business management
 - (d) Crisis management
 - (e) Industry knowledge
 - (f) International perspective
 - (g) Leadership
 - (h) Decision-making
 - (i) Sustainability
- **The Company's Board of Directors consists of nine directors. The specific management goals and achieving status of the board diversity policy are as follows:**

In accordance with the above principles, the 9 directors of 14th term of the Company consisted of professors in various fields, business professionals, and directors of companies in different industries. They have the professional knowledge, experience, and literacy required to perform their duties and responsibilities to deal with economic, environmental, and social issues Changes in all aspects. Based on their wealth of knowledge, personal insight and business judgment, and maintaining good communication with the management team, the directors provide guidance and suggestions to the Company, and jointly create maximum benefits for shareholders.

● **Implementation of The Board Diversity Policy:**

Diversity Item Name		Basic composition							Diversified core competencies									
		Nationality	Gender	As An Employee Concurrently	Age			Length Of Term Of Independent Directors (3 To 9 Years)	Business Judgment	Accounting And Financial Analysis	Business Management	Crisis Management	Industry Knowledge	International Perspective	Leadership	Decision-Making	Sustainability	
					41–50 years old	51–60 years old	61–70 years old											71–75 years old
Director	T.C. Gou	Republic of China	Male	V			V		V	V	V	V	V	V	V	V	V	
	T.C. Wang		Male			V			V		V	V	V	V	V	V	V	
	James Lee		Male	V			V			V		V	V	V	V	V	V	
	Eric Huang		Male	V			V			V		V	V	V	V	V	V	
	Chen-Phan Pu		Male	V				V		V	V	V	V	V	V	V	V	
Independent Director	Randy Lee		Male			V		Note 1	V	V	V	V	V	V	V	V	V	V
	Chien-Chung Fu		Male			V		V	V			V	V	V	V	V	V	V
	Jing-Mi Tang		Male			V		V	V			V	V	V	V	V	V	V
	Chih-Yang Tseng		Male		V					V	V		V	V	V	V	V	V

Note 1: Independent Director Chuan-Wei Lee has experience in business and company operation management, which is of obvious benefit to the Company. Although Independent Director Lee has been re-elected for three terms, the Company still needs to take advantage of his expertise to supervise and provide professional opinions to the Board of Directors.

Note 2: As of the current year, the number of female directors on the Board has not yet reached one-third of the total seats. This is primarily because, during the Board re-election in 2023, the nomination process focused mainly on candidates' professional and technical backgrounds, industry experience, and potential contributions to the Company's operations, which resulted in not fully achieving the principle of gender diversity.

B. Independence of the Board of Directors:

- The Company added one independent director during the re-election of directors in 2023, and there were a total of 4 independent directors, accounting for 44% of the total number of directors; in addition, there were 5 outside directors, accounting for more than half of the seats of the directors in compliance with the Company's diversity and independence policies and requirements. However, this is only to meet the needs of future development. The Company will continue to examine the elements that make up diversity, and will continue to strengthen the goal of diversity for the board of directors in the next election.
- In order to maintain the independence of the Board of Directors, the Directors are not spouses or relatives within the second degree of kinship, and are not in the circumstances described in Paragraph 3 and 4, Article 26-3 of the Securities and Exchange Act.

1.2 Information on The General Manager, Deputy General Managers, Associate Managers, and Supervisors of Various Departments and Branches:

March 31, 2025 Unit: Thousand shares

Job Title	Nationality	Name	Gender	Date Assumed Office	Shareholding		Spouse And Minor Children Shares Held		Shares Held In The Name(S) Of Others		Principal Experience (Education)	Current Positions Concurrently Held In Other Companies	Spouse Or Relatives Within The Second Degree Of Kinship Or Closer Acting As Managerial Officers			Remarks
					Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Position	Name	Relationship	
Chairman & President	ROC	T.C. Gou	Male	1996.01.01	6,009	1.17%	46	0.01%	0	0	Department of Law, National Chung Hsing University / President of Hon Hai Precision Industry Co., Ltd. Chairman of PQI	Please refer to Note 6 on page 9 for details.	-	-	-	Note 1
CSBG General Manager	ROC	James Lee	Male	1986.07.14	0	0	0	0	0	0	Master's degree	Please refer to Note 6 on page 10 for details.	-	-	-	-
CBG General Manager	ROC	Eric Huang	Male	2013.12.01	8	0	0	0	0	0	Master's degree in Department of Aeronautics and Astronautics from National Cheng Kung University Research fellow, Material and Chemical Research Laboratories, ITRI	-	-	-	-	-
OIBG General Manager	ROC	Julius Chu	Male	2018.05.16	0	0	0	0	0	0	Graduated from Soochow University Vice President, Cheng Uei Precision Industry Co., Ltd.	Note 3	-	-	-	-
Vice President	ROC	Chen-Phan Pu	Male	2002.02.08	32	0.01%	63	0.01%	0	0	Graduated from Bank Management Department, Tamsui Oxford University College Manager of Cathay United Bank Special Assistant, Directors' Office, Cheng Uei Company	Please refer to Note 6 on page 10-11 for details.	-	-	-	-

Job Title	Nationality	Name	Gender	Date Assumed Office	Shareholding		Spouse And Minor Children Shares Held		Shares Held In The Name(S) Of Others		Principal Experience (Education)	Current Positions Concurrently Held In Other Companies	Spouse Or Relatives Within The Second Degree Of Kinship Or Closer Acting As Managerial Officers			Remarks
					Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Position	Name	Relationship	
Vice President	ROC	Malcolm Lin	Male	2006.08.01	0	0	0	0	0	0	Ph.D. of Electrical Engineering, University of Pennsylvania, USA Engineer, Electronic and Optoelectronic System Research Laboratories, ITRI	-	-	-	-	-
Vice President	ROC	Y.Y. Wu	Male	2014.12.22	290	0.06%	5	0	0	0	Graduated from Hosei University, Japan Assistant Vice President, Cheng Uei Company	-	-	-	-	-
Vice President	ROC	Daniel Wu (Note 2)	Male	2017.07.01	0	0	1	0	0	0	PhD in Information Management, National Taiwan University of Science and Technology Assistant Vice President, Cheng Uei Company	-	-	-	-	-
Vice President	ROC	Spencer Yeh	Male	2019.03.04	0	0	0	0	0	0	PhD, National Cheng Kung University General Manager of NexPower Technology Corp. Assistant Vice President of Wah Hong Industrial Corp.	-	-	-	-	-
Vice President	ROC	Luc Chu	Male	2020.08.11	0	0	0	0	0	0	Graduated from Tamkang University Assistant Vice President of Cheng Uei Precision Industry Co., Ltd.	-	-	-	-	-
Vice-President	ROC	PK Chou	Male	2022.04.12	5	0	10	0	0	0	Graduated from the National Taiwan University of Science and Technology Vice-President, Foxlink Image Technology	-	-	-	-	-

Job Title	Nationality	Name	Gender	Date Assumed Office	Shareholding		Spouse And Minor Children Shares Held		Shares Held In The Name(S) Of Others		Principal Experience (Education)	Current Positions Concurrently Held In Other Companies	Spouse Or Relatives Within The Second Degree Of Kinship Or Closer Acting As Managerial Officers			Remarks
					Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Position	Name	Relationship	
Vice-President	ROC	Gordon Lin	Male	2022.08.01	0	0	0	0	0	0	Master's degree from the Department of Automatic Control Engineering, Feng Chia University Assistant Vice-President of Cheng Uei Precision Industry Co., Ltd.	-	-	-	-	-
Head of Corporate Governance	ROC	Kufn Lin	Male	2021.03.26	582	0.11%	0	0	0	0	Department of Accounting, FJCU Special Assistant, Directors' Office, Cheng Uei Company	Note 4	-	-	-	-

Note 1: If the general manager or equivalent (top manager) and the chairperson is the same person, or spouse or relative within one degree of kinship to the other, the reason, rationality, necessity and relevant information of the corresponding measures should be disclosed (e.g., the number of independent directors should be increased, more than half of the directors should not be concurrent employees or managers, etc.)

The Chairman of the Company also serves as the President, mainly to improve the efficiency of operation and management and the execution of decision-making. At present, more than half of the members of the Board of Directors are not concurrently serving as employees of the Company, so the independence of the board of directors is secure. In addition, the Chairman of the Board of Directors also closely communicates with the directors about the Company's operating status and planning guidelines to implement corporate governance. In the future, the Company plans to increase one independent directors in 2023 to enhance the functions of the Board of Directors and strengthen the supervision function.

Note 2: Daniel Wu was transferred to an affiliated company on March 1, 2025.

Note 3: Julius Chu currently serves as a director of both GLORYTEK (YANCHENG) CO., LTD. and GLORYTEK (SAZHOU) CO., LTD.

Note 4: The Chief Corporate Governance Officer currently holds the following positions in the Company and other companies, as listed in the table below.

Company Name	Title
ACCU-IMAGE TECHNOLOGY LIMITED	Director
ASHOP CO., LTD.	Director
BENEFIT RIGHT LTD.	Director
CAPITAL GUARDIAN LIMITED	Director
CENTRAL MOTION PICTURE CORPORATION	Director
CENTRAL MOTION PICTURE INTERNATIONAL CORPORATION LIMITED	Director
CHANGPIN WIND POWER LTD.	Director
CHENG UEI PRECISION INDUSTRY CO., LTD.	Executive Assistant to Chairman
CMPC CULTURAL & CREATIVE CO., LTD.	Director
CMPC MANAGEMENT CONSULTANT CO., LTD.	Chairperson
CU INTERNATIONAL LTD.	Director
CULINK INTERNATIONAL LTD.	Director
CULINK TIANJIN CO., LTD	Legal Representative / Director / General Manager
DAHUA TECHNOLOGY USA INC.	Director
DARTZ TECHNOLOGIES CORPORATION	Director
DEEPWATERS DIGITAL SUPPORT INC.	Director
DONG GUAN FU ZHANG PRECISION INDUSTRY CO., LTD.	Legal Representative / Chairperson
DONG GUAN HANYANG COMPUTER CO., LTD.	Legal Representative / Chairperson
DONGGUAN FU WEI ELECTRONICS CO., LTD.	Legal Representative / Chairperson
DONGGUAN FUQIANG ELECTRONICS CO., LTD	Legal Representative / Chairperson
EASTERN RAINBOW GREEN ENERGY ENVIRONMENTAL TECHNOLOGY CO., LTD.	Director
FIT HOLDING CO., LTD.	Director
FOXLINK DA NANG ELECTRONICS CO., LTD.	Legal Representative / Director / General Manager
FOXLINK ENERGY (TIANJIN) LTD.	Legal Representative / Director / General Manager
FOXLINK INDIA ELECTRIC PRIVATE LIMITED	Director
FOXLINK MYANMAR COMPANY LIMITED	Director
FOXLINK TAIWAN INDUSTRY INTERNATIONAL CO., LTD.	Director
FOXLINK TECHNICAL INDIA PRIVATE LIMITED	Director
FOXLINK TECHNOLOGY LIMITED	Director
FOXWELL ENERGY CORPORATION LTD.	Director
FOXWELL POWER CO., LTD.	Director

Company Name	Title
FRESH AIR MOVIE CORPORATION LIMITED	Chairperson
FU LIAN INTERNATIONAL INVESTMENT CO., LTD.	Director
FU LIN INTERNATIONAL INVESTMENT CO., LTD.	Director
FU SHI XIANG RESEARCH & DEVELOPMENT CENTER (KUNSHAN) CO.,LTD	Legal Representative
FU UEI INTERNATIONAL INVESTMENT LTD.	Chairperson
FUGANG ELECTRIC (KUNSHAN) CO.,LTD.	Legal Representative / Director / General Manager
FUGANG ELECTRIC (MAANSHAN) CO.,LTD.	Legal Representative / Director / General Manager
FUGANG ELECTRONIC (DONGGUAN) CO,LTD	Director
FUQIANG ELECTRIC (MAANSHAN) CO.,LTD.	Legal Representative / Director / General Manager
FUQIANG ELECTRIC (YANCHENG) CO.,LTD.	Legal Representative / Chairperson
FUSHINENG ELECTRONICS (KUN SHAN) CO., LTD.	General Manager
GLORY OPTICS (BVI) CO., LTD.	Director
GLORY OPTICS (YANCHENG) CO., LTD.	Legal Representative / Executive Director
GLORY TEK (BVI) CO., LTD.	Director
GLORY TEK (SAMOA) CO., LTD.	Director
GLORYTEK (SAZHOU) CO., LTD.	Legal Representative / Chairperson
GLORYTEK (YANCHENG) CO., LTD.	Legal Representative / Chairperson
GLORYTEK SCIENCE INDIA PRIVATE LIMITED	Director
GREAT SHOW CREATIVE&ENTERTAINMENT CORP.	Chairperson
JING JING TECHNOLOGY CO., Ltd.	Director
KUNSHAN FUGANG ELECTRIC TRADING CO.,LTD.	Legal Representative / Chairperson
KUNSHAN FUGANG INVESTMENT CO.,LTD.	Legal Representative / Executive Director / General Manager
LUMINYS SYSTEMS CORP.	Director
MICROLINK COMMUNICATIONS INC.	Director
MICROLINK COMMUNICATIONS INC.	Director
NEW START INDUSTRIES LTD.	Director
POWER CHANNEL LIMITED	Director
POWER QUOTIENT TECHNOLOGY (YANCHENG) CO., LTD.	Director
SHANGHAI FUGANG ELECTRIC TRADING CO., LTD.	Director
SHARETRONIC DATA TECHNOLOGY CO., LTD.	Vice Chairman
SHIH FONG POWER CO., LTD.	Director

Company Name	Title
SHINFOX ENERGY CO., LTD.	Director
SHINFOX FAR EAST COMPANY PTE LTD.	Director
SHINFOX NATURAL GAS CO., LTD.	Director
SINOBEST BROTHERS LIMITED	Director
STRAIGHT A INC.	Director
STUDIO A INC.	Director
STUDIO A TECHNOLOGY LIMITED	Director
SUZHOU KEYU RUI AUTOMOBILE TECHNOLOGY CO., LTD.	Legal Representative / Chairperson
SYNERGY CO., LTD.	Director
TAIFU INTERNATIONAL INVESTMENT CO., LTD.	Director
TEGNA ELECTRONICS PRIVATE LIMITED	Director
TRINITY INVESTMENT CO., LTD.	Director
UBILINK.AI CO., LTD.	Supervisor
VA Product Inc.	Chairperson
VALUE SUCCESS LIMITED	Director
WEI HAI FU KANG ELECTRIC CO., LTD.	Legal Representative / Chairperson
WELL SHIN TECHNOLOGY CO., LTD.	Director
WORLD CIRCUIT TECHNOLOGY (HONG KONG) LIMITED	Director
WORLD CIRCUIT TECHNOLOGY CO., LTD	Chief Accounting Officer (CAO)
YANCHENG YAOWEI TECHNOLOGY CO., LTD	Legal Representative / Executive Director
YOUDE WIND POWER CO., LTD.	Supervisor

2. Remuneration Paid to Directors, Supervisors, The President, and Vice President(s) in The Most Recent Year

2.1 Remuneration Paid to Directors, Supervisors, The President, Vice President(s), etc., In 2023

2.1.1 Remuneration to Directors (Including Independent Directors)

Unit: NTD Thousand

Title	Name	Directors' Remuneration								Ratio Of The Total Amount Of A, B, C And D Vs. Net Profit After Tax		Remuneration Paid To Part-Time Employees								Ratio Of The Total Amount Of A, B, C, D, E, F And G Vs. Net Profit After Tax		Business Investments Other Than Subsidiaries	Compensation From Parent Company And Business Investments Other Than Subsidiaries
		Remuneration (A)		Pension (B)		Remuneration for Directors (C)		Expenses for Execution of Business (D)				Wages, rewards, special allowances, etc. (E)		Retirement Pension (F)		Remuneration for Employees (G)							
		The Company	All Companies Included In The Financial Statements	The Company	All Companies Included In The Financial Statements	The Company	All Companies Included In The Financial Statements	The Company	All Companies Included In The Financial Statements	The Company	All Companies Included In The Financial Statements	The Company	All Companies Included In The Financial Statements	The Company	All Companies Included In The Financial Statements	The Company	Cash Amount	Stock Amount	All Companies Included In The Financial Statements	The Company	All Companies Included In The Financial Statements		
Director	Hsin Hung International Investment Co., Ltd.	0	0	0	0	10,000	12,720	0	0	10,000 0.59%	12,720 0.75%	46,874	55,328	478	816	23,227	0	23,227	0	80,579 4.78%	92,092 5.46%	-	
	Corporate representative: T.C. Gou																						
	Corporate representative: T.C. Wang																						
Director	Fu Lin International Investment Co., Ltd.	0	0	0	0	10,000	12,720	0	0	10,000 0.59%	12,720 0.75%	46,874	55,328	478	816	23,227	0	23,227	0	80,579 4.78%	92,092 5.46%	-	
	Corporate representative: James Lee																						
	Corporate representative: Eric Huang																						
Director	Foxlink Taiwan Industry International Co., Ltd.	0	0	0	0	10,000	12,720	0	0	10,000 0.59%	12,720 0.75%	46,874	55,328	478	816	23,227	0	23,227	0	80,579 4.78%	92,092 5.46%	-	
	Corporate representative: Chen-Phan Pu																						
Independent Director	Randy Lee	0	0	0	0	7,500	7,500	0	0	7,500 0.44%	7,500 0.44%	0	0	0	0	0	0	0	0	7,500 0.44%	7,500 0.44%	-	
	Chien-Chung Fu																						
	Jing-Mi Tang																						
	Chih-Yang Tseng																						
1. The policies, systems, standards and structure of independent directors' remuneration, and, according to the responsibilities, risks, time invested and other factors, describe the relevance to the remuneration amount: The remuneration of independent directors of the company is based on the evaluation results of the Board of Directors Performance Evaluation Measures and the Remuneration Committee Charter. It considers individual responsibilities and time put in, and also refers to the individual performance achievement rate and contribution rate of independent directors to provide appropriate remuneration; and after the approval of the remuneration committee, it is submitted to the Board of Directors for approval. 2. Except as disclosed in the above table, the remuneration for the services provided for all companies in the financial report by the directors of the Company in the most recent year (such as consultants who are not employees): Nil. 3. Remuneration received in the most recent year by the Company's directors for services provided (such as acting as consultants to the parent company, any entities included in the financial statements, or invested enterprises, where such roles are not held as employees), other than those disclosed in the table above: Nil.																							
Note 1:	The amount of retirement pensions for 2024 constitutes the total amount set out in accordance with the old and new pension systems.																						
Note 2:	Based on the proposed employee compensation amount of NTD 208,093,000 in 2024 as approved by the Board of Directors of the Company, the proposed amount is estimated based on the actual amount allocated in the previous year.																						

● Table of Remuneration Scales

Unit: NTD

Range of remuneration paid to each director of the Company	Director Name			
	The total amount of the first four remuneration items (A+B+C+D)		The total amount of the first seven remuneration items (A+B+C+D+E+F+G)	
	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements
Less than 1,000,000	–	–	–	–
1,000,000 (inclusive) ~ 2,000,000 (exclusive)	Independent director: Chien-Chung Fu 、 Chih-Yang Tseng	Independent director: Chien-Chung Fu 、 Chih-Yang Tseng	Independent director: Chien-Chung Fu 、 Chih-Yang Tseng	Independent director: Chien-Chung Fu 、 Chih-Yang Tseng
2,000,000 (inclusive) ~ 3,500,000 (exclusive)	Ordinary director: T.C. Gou 、 Chen-Phan Pu 、 James Lee 、 Eric Huang 、 T.C. Wang 、 Foxlink Taiwan Industry International Co., Ltd. Independent director: Randy Lee 、 Jing-Mi Tang	Ordinary director: Chen-Phan Pu 、 James Lee 、 Eric Huang 、 T.C. Wang 、 Foxlink Taiwan Industry International Co., Ltd. Independent director: Randy Lee 、 Jing-Mi Tang	Ordinary director: T.C. Wang 、 Foxlink Taiwan Industry International Co., Ltd. Independent director: Randy Lee 、 Jing-Mi Tang	Ordinary director: T.C. Wang 、 Foxlink Taiwan Industry International Co., Ltd. Independent director: Randy Lee 、 Jing-Mi Tang
3,500,000 (inclusive) ~ 5,000,000 (exclusive)	Ordinary director: Hsin Hung International Investment Co., Ltd. 、 Fu Lin International Investment Co., Ltd.	Ordinary director: T.C. Gou 、 Hsin Hung International Investment Co., Ltd. 、 Fu Lin International Investment Co., Ltd.	Ordinary director: Hsin Hung International Investment Co., Ltd. 、 Fu Lin International Investment Co., Ltd.	Ordinary director: Hsin Hung International Investment Co., Ltd. 、 Fu Lin International Investment Co., Ltd.
5,000,000 (inclusive) ~ 10,000,000 (exclusive)	–	–	–	–
10,000,000 (inclusive) ~ 15,000,000 (exclusive)	–	–	Ordinary director: Chen-Phan Pu	Ordinary director: Chen-Phan Pu
15,000,000 (inclusive) ~ 30,000,000 (exclusive)	–	–	Ordinary director: James Lee 、 Eric Huang	Ordinary director: James Lee 、 Eric Huang
30,000,000 (inclusive) ~ 50,000,000 (exclusive)	–	–	Ordinary director: T.C. Gou	Ordinary director: T.C. Gou
50,000,000 (inclusive) ~ 100,000,000 (exclusive)	–	–	–	–
Over 100,000,000	–	–	–	–
Total	12	12	12	12

2.1.2 Remuneration Paid to President and Vice President(s)

December 31, 2024 / Unit: NTD Thousand

Position	Name	Salary (A)		Pension (B)		Rewards And Special Expenses Etc. (C)		Employee Bonuses Amount (D)				Ratio Of The Total Amount Of A, B, C And D Vs. Net Profit After Tax (%)		Compensation From Parent Company And Business Investments Other Than Subsidiaries
		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	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
President	T.C. Gou	32,342	43,254	1,372	1,710	63,240	68,490	35,381	0	35,381	0	132,334 7.84%	148,835 8.82%	0
Group General Manager	James Lee													
Group General Manager	Eric Huang													
Group General Manager	Julius Chu													
Vice President	Chen-Phan Pu													
Vice President	Malcolm Lin													
Vice President	YY. Wu													
Vice President	Daniel Wu													
Vice President	Wanson Hsu													
Vice President	Spencer Yeh													
Vice President	Luc Chu													
Vice President	PK Chou													
Vice President	Gordon Lin													

Note 1: The amount of retirement pensions for 2024 constitutes the total amount set out in accordance with the old and new pension systems.

Note 2: Based on the proposed employee compensation amount of NTD208,093,000 in 2024 as approved by the Board of Directors of the Company, the proposed amount is estimated based on the actual amount allocated in the previous year.

● **Table of Remuneration Scales**

Unit: NTD

Range of Remunerations Paid to President and Vice President(s)	Name of General Manager and Deputy General Manager(s)	
	The Company	All companies included in the financial statements
Less than 1,000,000	–	–
1,000,000 (inclusive) ~ 2,000,000 (exclusive)	–	–
2,000,000 (inclusive) ~ 3,500,000 (exclusive)	–	–
3,500,000 (inclusive) ~ 5,000,000 (exclusive)	Spencer Yeh 、 PK Chou	Spencer Yeh 、 PK Chou
5,000,000 (inclusive) ~ 10,000,000 (exclusive)	Malcolm Lin 、 Y.Y. Wu Luc Chu 、 Gordon Lin	Malcolm Lin 、 Y.Y. Wu Luc Chu 、 Gordon Lin
10,000,000 (inclusive) ~ 15,000,000 (exclusive)	Chen-Phan Pu 、 Julius Chu 、 Daniel Wu	Chen-Phan Pu 、 Daniel Wu
15,000,000 (inclusive) ~ 30,000,000 (exclusive)	T.C. Gou 、 James Lee 、 Eric Huang	T.C. Gou 、 James Lee Eric Huang 、 Julius Chu
30,000,000 (inclusive) ~ 50,000,000 (exclusive)	–	–
50,000,000 (inclusive) ~ 100,000,000 (exclusive)	–	–
Over 100,000,000	–	–
Total	12	12

Names of Managerial Officers Entitled to Employee Bonuses and Amounts Entitled

Unit: NTD thousand

Item	Position	Name	Stock Bonus Amount	Cash Bonus Amount	Total	As Percentage of Income After Tax (%)
Manager	President	T.C. Gou	0	35,381	35,381	2.10%
	Group General Manager	James Lee				
	Group General Manager	Eric Huang				
	Group General Manager	Julius Chu				
	Vice President	Chen-Phan Pu				
	Vice President	Malcolm Lin				
	Vice President	Y.Y. Wu				
	Vice President	Daniel Wu				
	Vice President	Wanson Hsu				
	Vice President	Spencer Yeh				
	Vice President	Luc Chu				
	Vice President	PK Chou				
	Vice President	Gordon Lin				

Note: Based on the proposed employee compensation amount of NTD 208,093,000 in 2024 as approved by the Board of Directors of the Company, the details of the employee remuneration scheme have not yet been decided as of the publication date of the annual report. Therefore, the proposed amount is estimated based on the actual disbursement amount of the previous year.

2.2 Amount of compensation paid in the last two years by the Company and all companies included in the consolidated financial statements to the Company's directors, supervisors, general manager, and deputy general managers, and the respective proportion of such compensation to the income after tax in parent company only or individual financial statement, as well as the policies, standards, and packages by which it was paid, the procedures through which the compensation was determined, and its association with business performance and future risk.

2.2.1 Proportion to net profits after tax of the total of the remuneration paid to directors, general managers and deputy general managers by the Company and all companies in the consolidated financial statements in the most recent two years

<div>Item</div> <div>Position</div>	Proportion of Total Remuneration to Net Profit After Tax				Proportion of Increase (Decrease)	
	2024		2023			
	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
Director	1.04%	1.20%	0.55%	0.68%	0.49%	0.51%
President & Vice Presidents	7.84%	8.82%	8.62%	9.65%	-0.78%	-0.83%

Note: Based on the proposed employee remuneration amount of NTD 208,093,000 in 2024 and directors' remuneration of NTD 18,000,000 as approved by the Board of Directors of the Company, the details of the employee remuneration scheme have not yet been decided as of the publication date of the annual report. Therefore, the proportion of total remuneration to net profit after tax is estimated based on the actual amount paid in 2023.

2.2.2 Correlation between the policies, standards and combinations of payment, procedures for determination of remuneration, business performance and future risks:

(1) Directors' Remuneration Policy

Remuneration to directors: According to Article 23 of the Articles of Incorporation, "The board of directors shall authorize the remuneration of all directors to determine the remuneration in accordance with the standards in the industry." and reasonable remuneration for each director based on his/her level of participation and contribution in the operation of the Company.

Remuneration to directors: According to Article 26 of the Articles of Incorporation, "If the Company has a profit in the year, it shall allocate no more than 3% as the remuneration to directors." The performance evaluation of individual directors is conducted in the first quarter after the end of the following year in accordance with the "Procedures for Performance Evaluation of Directors" of the Company. The remuneration committee evaluates the remuneration of directors every year, and the recommendation is submitted to the board of directors for approval.

(2) Managerial Officers' Remuneration Policy

Fixed salary for managers: Fixed salary is adjusted with reference to peer standards, as well as title, rank, education (expertise), professional ability, and job responsibility.

Variable salary of managers:

Remuneration to directors: According to Article 26 of the Articles of Incorporation, "If the Company has a profit in the year, it shall allocate no more than 6% as the remuneration to directors."

Based on the "Performance Appraisal Management Procedures," our company evaluates an

individual's performance achievement rate and their contribution to the company. This evaluation is also based on the annual overall operational performance of the company (such as the company's revenue growth, pre-tax and post-tax profit growth rates, etc.), and non-temporal indicators (such as leadership decision-making abilities, compliance with laws and regulations by their department, and significant deficiencies in operational risks, etc.) to calculate their performance compensation.

(3) Procedures for determining remuneration:

The remuneration to directors and managers is regularly evaluated based on the evaluation results of the Company's "Regulations Governing Performance Evaluation of the Board of Directors" and "Regulations Governing Performance Evaluation applicable to managers and employees."

- The items of the directors' performance evaluation include: mastery of the Company's goals and mission, awareness of directors' duties, participation in the Company's operations, management of internal relations and communication, directors' professionalism and continuing education, and internal control
- The annual performance appraisal of managers includes the performance indicators corresponding to their main duties, as well as the evaluation of management functions and core competencies. The relevant performance evaluation and the reasonableness of the remuneration are regularly evaluated and reviewed by the Remuneration Committee and the Board of Directors every year. In addition to reference to the individual's performance achievement rate and contribution to the Company, the Company's overall operating performance, future risks and development trends in the industry, and The Company reviews the remuneration system in a timely manner depending on the actual operating conditions and relevant laws and regulations. In addition, after comprehensively considering the current corporate governance trend, reasonable remuneration is paid to seek a balance between the Company's sustainable operation and risk control.

The results of the Company's 2024 performance self-assessment and managerial officers' performance assessment of the Board of Directors, members of directors, and members of various functional committees were positive. The remuneration to directors and managers has fully taken their professional capabilities and the Company's operational and financial position into account, and linking the Company's overall operating performance, individual performance target management, and evaluation results. The actual amount of remuneration to directors and managers paid in 2024 is reviewed by the remuneration committee and then submitted to the board of directors for approval.

(4) Correlation with operating performance and future risks:

The review of the payment standards and system related to the Company's remuneration policy is mainly based on the overall operation of the Company, and the performance achievement rate and contribution are reviewed to improve the overall organizational efficiency of the Board of Directors and management departments. In addition, reference is made to the remuneration standards in the industry to ensure that the remuneration of the Company's management is competitive in the industry, in order to retain outstanding management talents.

The Company's managerial officers' performance targets are combined with "risk control" to ensure that possible risks within the scope of duties are managed and prevented. The results of the appraisal and rating based on the actual performance are linked to all relevant human resources and related remuneration policies. The key decisions of the Company's management are made after a balanced consideration of various risk factors. The performance of the relevant decisions is reflected in the Company's profitability, and the management's compensation is related to the performance of risk control.

3. Corporate Governance Status

3.1 Operation of the Board of Directors

The Board of Directors met 7 times in the most recent year (A) and directors' attendance was as follows:

Position	Name	Number of times actually attending (observing) (B)	Frequency of attendance	Actual attendance (observation) rate (%) [B/A]	Remarks
Chairperson	T.C. Gou	7	0	100%	Note 1
Director	T.C. Wang	7	0	100%	Note 1
Director	James Lee	4	2	57%	Note 2
Director	Eric Huang	7	0	100%	Note 2
Director	Chen-Phan Pu	7	0	100%	Note 3
Independent Director	Randy Lee	7	0	100%	-
Independent Director	Chien-Chung Fu	7	0	100%	-
Independent Director	Jing-Mi Tang	7	0	100%	-
Independent Director	Chih-Yang Tseng	7	0	100%	

Other matters to be recorded:

- I. If any of the following occurs in the operation of the Board, specify the date, the session, the content of the motion, the opinions of the Independent Directors, and the response of the Company to the opinions of the Independent Directors:
 1. The circumstances referred to in Article 14-3 of the Securities and Exchange Act: For all the resolutions of the Board of Directors in 2024, please refer to pages 34 to 36. All resolutions on the matters listed in Article 14-3 of the Securities and Exchange Act have been approved by independent directors.
 2. Further to the aforementioned matters, any adverse opinion or qualified opinion of the Independent Directors against the resolutions of the Board: None.
- II. For recusal of directors from motions due to conflicts of interest, specify the names of the Directors, the content of the motions, the reasons for recusal, and the participation in voting:
 1. On May 15, 2024, the Board of Directors resolved to renew the lease of the factory located at No. 28, Zhongshan Road, Tucheng Industrial Park (currently used by Yih Hsing Plant) from the Company's related party, Hsin Hung International Investment Co., Ltd. Director T.C Gou recused himself from discussion and voting due to a conflict of interest, and the remaining eight directors passed the resolution unanimously without objection.
 2. On August 9, 2024, the Board of Directors resolved to ratify the endorsement and guarantee provided to Luminys System Corporation. Director T.C Gou recused himself from discussion and voting due to a conflict of interest, and the remaining eight directors passed the resolution unanimously without objection.
 3. On August 9, 2024, the Board of Directors resolved to acquire land and factory buildings in Tucheng Industrial Park from the related party Hsin Hung International Investment Co., Ltd. Directors T.C Gou, T.C. Wang, Chen-Phan Pu, James Lee, and Eric Huang recused themselves from discussion and voting due to conflicts of interest. The resolution was unanimously approved by the remaining four directors without objection.

4. On August 29, 2024, the Board of Directors resolved on the distribution of directors' remuneration for the year 2023. Directors T.C Gou, Chen-Phan Pu, T.C. Wang, James Lee, Eric Huang, Randy Lee, Chien-Chung Fu, Jing-Mi Tang, and Tseng Chih-Yang recused themselves from discussion and voting due to personal interest. The remaining eight directors approved the resolution unanimously without objection.
5. On August 29, 2024, the Board of Directors resolved on the distribution of employee compensation to managers for the year 2023. Directors T.C Gou, Chen-Phan Pu, James Lee, and Eric Huang, who also serve as employees, recused themselves from discussion and voting due to conflicts of interest. The resolution was approved unanimously by the remaining eight directors. The employee compensation for the other managers was approved unanimously by all attending directors.

Note 1: Corporate representative of Hsin Hung International Investment Co., Ltd.

Note 2: Corporate representative of Fu Lin International Investment Co., Ltd.

Note 3: Corporate representative of Foxlink Taiwan Industry Co., Ltd.

III. The Board of Directors Status of Evaluation and Implementation

Assessment cycle	Assessment period	Assessment scope	Assessment method	Assessment content
Implemented once per year	2024.01.01 § 2024.12.31	Board of Directors performance evaluation	Internal self-evaluation by the Board of Directors	1. Degree of participation in company operations 2. Improving the quality of board decisions 3. Board composition and structure 4. Election and continuing education of the directors 5. Internal Control
		Board member performance evaluation	Board member self-evaluation	1. Master the company's goals and tasks 2. Director's responsibilities 3. Degree of participation in company operations 4. Internal relationship management and communication 5. Director's professionalism and continuing education 6. Internal Control
		Audit Committee Performance Evaluation	Internal self-assessment of the committee.	1. Degree of participation in company operations 2. Recognition of functional committee responsibilities 3. Improving decision-making quality of functional committees 4. Functional committee composition and member selection 5. Internal Control
		Remuneration Committee Performance Evaluation		
		Corporate Governance and Sustainability Committee Performance Evaluation		

Evaluation Results Explanation:

1. The Company has completed the performance evaluations of the Board of Directors and all functional committees for the year 2024. The evaluation results were reported to the Board of Directors on March 7, 2025, as a basis for review and improvement.
2. The performance evaluation of the Board of Directors was based on five major dimensions, comprising a total of 41 indicators. The overall average score was 4.98 out of 5, indicating that the Board has effectively fulfilled its responsibilities in guiding and overseeing the Company's strategies, major business operations, and risk management. The Board also demonstrated the ability to establish a sound internal control system, and its overall operations are in line with corporate governance requirements.
3. The performance evaluation of individual Board members was based on six major dimensions, comprising a total of 23 indicators. The overall average score was 4.98 out of 5, showing that the performance and effectiveness of each director were positively assessed.
4. The functional committees—namely, the Audit Committee, the Remuneration Committee, and the Corporate Governance and Sustainability Committee—were evaluated based on five major dimensions. Each committee received an overall average score of 5 out of 5, indicating that their operations are sound, in line with corporate governance principles, and have effectively enhanced the functioning of the Board.

Assessment cycle	Assessment period	Assessment scope	Assessment method	Assessment content
Implemented once every 3 year	2024.01.01 § 2024.12.31	Board of Directors	External evaluation The external performance evaluation of the Company's Board of Directors was conducted by the Taiwan Cheng Cheng Management Association, a legally registered non-profit organization.	<ol style="list-style-type: none"> 1. The professional functions of the Board of Directors (the composition and structure of the Board of Directors, the election and continuing education of directors) 2. Effectiveness of the Board of Directors' decision making (the degree of participation in the Company's operations, and the improvement of the quality of the Board of Directors' decision making) 3. The Board's emphasis on and oversight of internal controls 4. The Board of Directors' attitude to sustainable operation

Evaluation Results Explanation:

- Overall Observations:
 1. Board members of the evaluated company actively engage in information exchange and are provided with sufficient time to review agenda items, enabling them to gain a comprehensive understanding of the Company's management policies and offer valuable operational advice.
 2. The evaluated company regularly conducts internal control self-assessments. The internal audit unit compiles assessment reports, which are submitted to the Audit Committee for review and subsequently reported to the Board of Directors.
 3. The Company's directors recognize the importance of sustainable operations.
- Recommendations for Enhancement:
 1. Strengthen the diversity of board composition.
 2. Encourage the establishment of additional functional committees.
 3. Enhance the documentation of directors' statements in board meeting minutes.
 4. Increase the participation of the Audit Committee and independent directors in the whistleblower mechanism.
 5. Establish a succession plan for professional talent.
- Improvement Plan:
Please refer to the Company's website for further details: <https://www.foxlink.com/>

IV. Assessment of objectives (e.g. setting up an Audit Committee, enhancing the transparency of information, etc.) and implementation status in respect of strengthening the powers of the Board of Directors for the current and immediately past years to be carried out:

1. The Company has established a Remuneration Committee, an Audit Committee and Corporate Governance and Sustainable Development Committee, respectively assisting the Board of Directors in performing their supervisory duties.
2. The Company takes the initiative to disclose important resolutions of the Board of Directors on the Company's website to enhance information transparency.
3. The Company has purchased liability insurance for directors and supervisors in accordance with the Articles of Incorporation to reduce and diversify the risk of material damage to the Company and shareholders, and regularly reviews the terms of the insurance policy to ensure that the insurance indemnity and coverage meet the needs, and reports to the Board of Directors as required.
4. Annual meeting agenda planned in advance.

3.2 Information on operation of the Audit Committee

Six meetings have been held by the Audit Committee in the most recent year. Independent directors attended as follows:

Position	Name	Actual Attendance Frequency (B)	Frequency of Attendance	Actual attendance rate (%) (B/A) (Note)	Remarks
Convener	Randy Lee	6	0	100%	Independent Director
Committee member	Chien-Chun Fu	6	0	100%	Independent Director
Committee member	Jing-Mi Tang	6	0	100%	Independent Director
Committee member	Chih-Yang Tseng	6	0	100%	Independent Director

Other matters to be recorded:

- I. If the operation of the Audit Committee falls into one of the circumstances, the date, session, the content of the proposal, independent directors' objections, reservations, or major suggestions, Audit Committee' resolution results, and the Company's response to such opinions shall be stated.
 1. Matters listed in Article 14-5 of the Securities and Exchange Act: After the approval of the Audit Committee, they are reported to the Board of Directors.

Date	Proposal Content, Resolution Status, and Subsequent Handling
March 11, 2024	<p>I. Proposal content:</p> <ol style="list-style-type: none"> 1. Discussed the Company's 2023 financial statements and business status, submitted for approval. 2. Discussed the Company's 2023 profit distribution 3. Discussed the assessment of the accountant's independence and competency and their remuneration 4. Discussion on the 2023 Assessment of the Effectiveness of the Internal Control System and the Statement on the Internal Control System. 5. Discussion of amendments to the Company's "Procedures for Loaning Funds to Others." 6. Discussion of the motion of the Company's loaning of funds to the subsidiary "Shinfox Energy Co., Ltd." 7. Discussion on the company's proposed new syndicated loan and application for bank credit line. <p>II. Audit Committee resolution outcome: <u>All members of the Audit Committee agreed to pass.</u></p> <p>III. The Company's handling of the Audit Committee's opinions: <u>Submitted to the Board of Directors and approved by all directors present.</u></p>
May 15, 2024	<p>I. Proposal content:</p> <ol style="list-style-type: none"> 1. Discussed of the Company's 2024 first quarter financial statements and business status. 2. Discussion of capital increase in subsidiary and reinvestment in Da Nang, Vietnam. 3. Discussion of the Company's investment in the US subsidiary

	<p>Foxlink Arizona Inc.</p> <p>4. Discussion of the proposal for acquiring the right-of-use assets of real property from related party.</p> <p>II. Audit Committee resolution outcome: <u>All members of the Audit Committee agreed to pass.</u></p> <p>III. The Company's handling of the Audit Committee's opinions: <u>Submitted to the Board of Directors and approved by all directors present.</u></p>
May 29, 2024	<p>I. Proposal content:</p> <ol style="list-style-type: none"> Discussions of the procurement of the Asustek Computer Inc. equipment Discussion of outsourcing the procurement of equipment and facilities in the computer rooms and related parties. <p>II. Audit Committee resolution outcome: <u>All members of the Audit Committee agreed to pass.</u></p> <p>III. The Company's handling of the Audit Committee's opinions: <u>Submitted to the Board of Directors and approved by all directors present.</u></p>
June 20, 2024	<p>I. Proposal content:</p> <p>Discussion to lease the Company's computing center to the related party, Ubilink.AI Co., Ltd., for its use.</p> <p>II. Audit Committee resolution outcome: <u>All members of the Audit Committee agreed to pass.</u></p> <p>III. The Company's handling of the Audit Committee's opinions: <u>Submitted to the Board of Directors and approved by all directors present.</u></p>
August 9, 2024	<p>I. Proposal content:</p> <ol style="list-style-type: none"> Discussed of the Company's 2024 second quarter financial statements and business status. Discussion of the proposal for the Company to provide endorsement and guarantee to Luminy Systems Corporation. Discussion on the Company's proposed new syndicated loan and applications for credit lines with various banks. Discussion on the proposed acquisition of land and factory in the Tucheng Industrial Zone from related party, Hsin Hung International Investment Co., Ltd. <p>II. Audit Committee resolution outcome: <u>All members of the Audit Committee agreed to pass.</u></p> <p>III. The Company's handling of the Audit Committee's opinions: <u>Submitted to the Board of Directors and approved by all directors present.</u></p>
November 13, 2024	<p>I. Proposal content:</p> <ol style="list-style-type: none"> Discussion of the Company's 2024 third quarter consolidated financial statements and operations. Discussion on the formulation of the Company's "Operating Procedures for Financial and Business Transactions among Related Parties". Discussion on the proposed addition of the Company's "Sustainable Information Management Guidelines". Discussion on the proposed addition of the Company's "Internal Control System for Sustainable Information Management". Discussion on the revision of the Company's "Internal Audit

	<p>Procedures”.</p> <p>6. Discussion on the Proposal to Amend the Company's “Risk Management Guidelines.”</p> <p>7. Discussion and formulation of the Company’s internal audit plan in 2025.</p> <p>8. Discussed the proposal of the Company for applying for bank financing facilities.</p> <p>II. Audit Committee resolution outcome: <u>All members of the Audit Committee agreed to pass.</u></p> <p>III. The Company's handling of the Audit Committee's opinions: <u>Submitted to the Board of Directors and approved by all directors present.</u></p>	
	<p>2. Further to the aforementioned matters, motions rejected by the Auditing Committee but passed by the Board at the consent of more than 2/3 of the Directors: <u>None.</u></p> <p>II. For recusal of independent directors from motions due to conflicts of interest, specify the names of the independent directors, the content of the motions, the reasons for recusal, and the participation in voting: <u>None.</u></p> <p>III. The communication between the independent directors and the audit supervisor and the CPAs (materiality, means, and result of communication on the financial position and operation of the Company should be covered).</p> <p>1. The Company’s internal audit supervisor regularly reports on the implementation of internal audits to the quarterly audit committee. In 2024, the internal audit supervisor reported to the independent directors on the audit committee regarding the implementation of audit operations four times. After discussion and communication in the four meetings, the independent directors all had a grasp and understanding of the audit execution results. No other objections or suggestions were raised.</p> <p>2. After being reviewed or checked by a certified public accountant, the financial statements of the Company are sent to the Audit Committee for discussion. And after its approval, a report or resolution is submitted to the Board of Directors. The CPAs usually discuss and communicate with independent directors by e-mail, but arranges at least 1-2 actual attendances of the Audit Committee every year. On March 11, 2024, the Audit Committee arranged for the CPAs to attend in person, and report and communicate with independent directors on matters such as the financial statement audit plan, major financial reports, and the update of accounting and auditing laws and regulations. After discussion and communication, the independent directors had no opinion on the accountants’ reports. Therefore, the independent directors of the Company have good communication with the CPAs.</p> <p>IV. Annual working focus and operational status of the Audit Committee:</p> <p>The Audit Committee of the Company held four meetings in 2023. All audit committee members attended each meeting, and their main working focus and authority were as follows:</p> <p>1. Establishing or amending the internal control system in accordance with Article 14 of the Securities and Exchange Act.</p> <p>2. Evaluation of the effectiveness of the internal control system.</p> <p>3. Formulating or modifying the processing procedures for major financial business activities that acquire or dispose of assets, engage in derivative commodity transactions, lending of funds to others, endorse or provide guarantees to third parties.</p> <p>4. Matters involving director self-interest.</p> <p>5. Significant asset or derivative commodity transactions.</p> <p>6. Significant capital loans, endorsements or guarantees.</p> <p>7. Raising, issuing or private placement of equity securities.</p> <p>8. Appointment, dismissal or remuneration of certified public accountants.</p> <p>9. Appointment and removal of financial, accounting or internal audit supervisors.</p>	

10. Annual financial reports and quarterly financial reports.
11. Implementation of internal audit operations.
12. Other important matters specified by the Company or the competent authority.

3.3 Status of Corporate Governance, and Deviation from Corporate Governance Best-Practice Principles for TWSE/Tpex Listed Companies and Causes Thereof:

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and reasons
	Yes	No	Summary description	
I. Has the Company prepared and disclosed the Corporate Governance Best Practice Principles in accordance with the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies?	V		The Company has formulated a code of practice for corporate governance	No difference
II. The equity structure and shareholders' equity of the Company (I) Does the Company have internal operating procedures in place to deal with shareholder recommendations, doubts, disputes and litigation matters according to the procedures?	V		The Company has a spokesperson, acting spokesperson, and stock affairs division responsible for handling shareholder suggestions, disputes, and other issues. There are also regulations for the management of external spokesperson activities to standardize related operations.	No difference
(II) Does the Company have a list of the major shareholders who actually control the Company, and the ultimate controllers of the major shareholders?	V		The Company keeps track of shares held by directors, supervisors, managers, and major shareholders holding more than 5% of shares, and it reports such shareholdings in a timely manner.	
(III) Has the Company established and implemented the risk management, control and prevention mechanisms for affiliated companies?	V		The Company has established transaction procedures and risk control management measures for related enterprises to control various operating procedures and various risks, and to eliminate unconventional transactions.	
(IV) Has the Company established internal regulations that prohibit insiders from using unpublished information in the market to buy and sell securities?	V		The Company has established the "Procedures for Handling Material Internal Information," and conducts at least one training session per year to educate insiders. In addition, the Company's Corporate Governance Best Practice Principles clearly prohibit insiders from trading company shares after	

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and reasons
	Yes	No	Summary description	
			becoming aware of financial reports or performance-related information. Directors are also prohibited from trading company shares during the blackout period — thirty days before the announcement of the annual financial report and fifteen days before the announcement of quarterly financial reports.	
III. Composition and duties of the Board of Directors				
(I) Has the Board of Directors formulated a Board diversity policy and specific management objectives and implemented them accordingly?	V		A diversity policy for the composition of the Board of Directors has been specified under Article 20 of the Company's Corporate Governance Best Practice Principles. When considering and selecting director candidates, we will consider their professional background, professional skills, and industry experience based on the diversity policy, while as per the scale of the Company's business, shareholders' shareholdings, as well as the practical needs. Please refer to pages 13 to 15 of the annual report for details.	No difference
(II) Does the Company voluntarily set up other functional committees other than the Remuneration Committee and the Audit Committee according to law?	V		The Company has established a Remuneration Committee and an Audit Committee in accordance with the law and established a Corporate Governance and Sustainable Development Committee in 2021 to strengthen our management and efforts to fulfill corporate social responsibility and promote sustainable development.	
(III) Does the company formulate the board's performance assessment and evaluation method, conduct performance evaluation annually and regularly, and report the results of	V		The Company has set up its Board of Directors Performance Evaluation Measures, and the scope of evaluation includes performance evaluation of the overall Board of Directors, individual directors and functional committees. Evaluation	

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and reasons
	Yes	No	Summary description	
the performance evaluation to the board of directors, and apply it to individual directors' remuneration and nomination renewal?			<p>methods include internal self-evaluation by the Board of Directors, self-evaluation by board members, appointment of external professional institutions, performance evaluation by experts or other appropriate methods. Metrics for the performance evaluation of the Board of Directors include the following five aspects</p> <ol style="list-style-type: none"> 1. Participation in the operation of the Company. 2. Improvement of the quality of the board of directors' decision making. 3. Composition and structure of the board of directors. 4. Election and continuing education of the directors. 5. Internal control. 	
(IV) Has the Company assessed the independence status of the CPAs at regular intervals?	V		<p>The Audit Committee of the Company regularly evaluates the independence and suitability of the CPAs every year, and submit the evaluation results to the Board of Directors for approval.</p> <p>On March 11, 2024 and March 07, 2025, the Audit Committee and the Board of Directors referred to the Audit Quality Indicators (AQIs) and the "Statement of Independent Audit" provided by the certified public accountants and approved the CPAs conformance to the Company's independence and suitability. The Company's accounting unit has also established independence assessment items with reference to the Certified Public Accountant Act and Bulletin on the Norm of Professional Ethics No. 10 for evaluation.</p> <p>The Company also complies with the relevant regulations and conducts the rotation of CPAs on a regular basis.</p>	
IV. Is the TWSE / TPEX listed company equipped	V		In order to implement corporate governance and urge the	No difference

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and reasons
	Yes	No	Summary description	
with qualified and appropriate number of corporate governance personnel, and appoint a corporate governance director responsible for corporate governance related matters (including but not limited to providing information needed by directors and supervisors to carry out business, assisting directors and supervisors to comply with laws and regulations, handling matters related to meetings of the Board of Directors and shareholders' meeting in accordance with the law, and producing minutes of board meetings and shareholders' meetings)?			<p>Board of Directors to perform its due functions to protect the rights and interests of investors, the Board of Directors passed a resolution on March 26, 2021 and appointed Kufn Lin from the Investment Strategy Division of the Company as Head of Corporate Governance. The scope of authority of the Head of Corporate Governance and focus of business implementation in the current year are as follows:</p> <ol style="list-style-type: none"> 1. Handling of matters relating to board of directors meetings and shareholders meetings in compliance with law. 2. Preparation of minutes of the board of directors meetings and shareholders meetings. 3. Assistance in onboarding and continuing education of the directors and supervisors. 4. Provision of information required for performance of duties by the directors and supervisors. 5. Assistance in the directors' and supervisors' compliance of law. 6. Other matters described or established in the articles of incorporation or under contract. 	
V. Has the Company established channels for the communications with the stakeholders (including but not limited to the shareholders, employees, customers, and suppliers), and the section for the shareholders on the official website of the Company to respond to all concerns of the stakeholders on corporate social responsibility?	V		The Company's website has a special area for stakeholders and a dedicated person to serve as a communication channel with them; and it appropriately responds to important corporate social responsibility issues that are of concern to stakeholders.	No difference
VI. Has the Company appointed a professional share	V		The Company has appointed a professional stock affairs agency,	No difference

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and reasons
	Yes	No	Summary description	
registration and investors service agent for handling matters pertaining to the Shareholders Meeting?			the Shareholders' Service Agency Department of Grand Fortune Securities Co., Ltd., to handle various stock affairs of the Company on its behalf	
VII. Disclosure of Information				
(I) Has the Company installed a website for the disclosure of information on financial position and operation, as well as corporate governance?	V		The Company has installed a website for the disclosure of various information on its financial position and operation as well as information on its corporate governance.	Except for the third item which is still under planning, there is no difference
(II) Has the Company adopted other means for disclosure (such as the installation of a website in the English language, appointment of designated persons for the collection and disclosure of information on the Company, the implementation of a spokesman system, and videotaping institutional investor conferences)?	V		The Company has set up a website in both Chinese and English, and has placed relevant information on institutional investor conferences and implemented a spokesperson system. In addition, a designated person is responsible for the collection and disclosure of Company information.	
(III) Does the Company announce and declare its annual financial report within two months after the end of the fiscal year, and announce and declare the first, second, and third quarter financial reports and the monthly operating situation as early as possible within the prescribed time limit?	V		The Company completes relevant financial statements and reports on monthly operating conditions within the specified time limits	
VIII. Is there any other essential information that would help understand the pursuit of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, the continuing education of the directors and supervisors, the pursuit of a risk management	V		1. Employee rights: The Company has formulated a number of employee welfare policies and management procedures that comply with local laws and regulations on labor relations, labor conditions and social responsibility, and protect the rights and interests of employees. 2. Employee care: In order to increase employees' choices of leisure activities, the Company subsidizes employee club	No difference

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and reasons
	Yes	No	Summary description	
policy and standard of risk assessment, the pursuit of a customer policy, and professional liability insurance coverage for the directors and supervisors)?			<p>activities and signs contracts with a number of leisure sports centers for employees to keep fit. In addition, the Company also regularly implements employee health checkups and provides medical consultations to maintain employees' physical and mental health. Furthermore, it continues to improve the working environment of employees to meet the requirements of international standards. Therefore, all employees can achieve the work agreed with the Company according to their wishes, without any physical or psychological coercion. Furthermore, they will not be discriminated against on the basis of any race, gender, age, religion or political orientation.</p> <p>3. Investor Relations: There is a stock affairs department and a spokesperson responsible for handling relevant stock affairs and shareholder suggestions and disputes.</p> <p>4. Supplier relationships: The Company has signed procurement contracts with its suppliers, and signs integrity commitments and confidentiality agreements; moreover, it has always been able to maintain good relationships with them.</p> <p>5. Stakeholder rights: The Company has a spokesperson, and stakeholders can communicate through the Company's website, telephone and fax. At the same time, the Company's supervisors and the personnel of the Audit Division will also directly communicate with stakeholders if deemed necessary.</p> <p>6. Continuing education of directors and supervisors: The</p>	

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and reasons
	Yes	No	Summary description	
			<p>directors and supervisors of the Company have professional industry backgrounds and practical experience in operations and management. Moreover, the Company arranges for directors to participate in seminars on corporate governance topics from time to time.</p> <p>7. Pursuit of a risk management policy and standard of risk assessment: The Company focuses on its own business and cooperates with relevant laws and regulations to implement various policies for promotion, and it establishes various standard operation implementation specifications to reduce and avoid possible risks. However, please refer to pages 131 to 139 of the annual report for the implementation of the Company's risk management policies and standard of risk assessment.</p> <p>8. Pursuit of a customer policy: The Company has operating bases both domestically and overseas. There is also a customer service department to provide channels for customer inquiries or services.</p> <p>9. Professional liability insurance coverage for the directors: The Company has purchased liability insurance for all directors.</p>	
<p>IX. Corrective action taken in response to the result of the Corporate Governance Evaluation conducted by the Corporate Governance Center of Taiwan Stock Exchange Corporation, and the priority of action on issues pending for corrective action in the most recent year. (Not applicable for companies not evaluated by TSEC)</p> <p>The Company's Improvements in Response to Areas Identified as Incomplete in the Corporate Governance Evaluation Are as Follows:</p> <p>1. The Company conducted an external performance evaluation of the Board of Directors in 2024. For details of the evaluation, please refer to page 33.</p>				

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and reasons
	Yes	No	Summary description	
2. In the 2024 annual report, the Company has revised and supplemented previously incomplete disclosures related to the corporate governance evaluation indicators, such as the implementation status of shareholders’ meeting resolutions and the procedures for determining remuneration for directors and managerial officers.				
3. The Company has disclosed its approach and achievements in supporting domestic cultural development in its Sustainability Report.				

3.4 Composition and Operation of the Remuneration Committee and the Corporate Governance and Sustainability Committee

3.4.1 Information of Remuneration Committee Members

March 31, 2025

ID classification	Terms Name	Professional Qualifications and Experience	Independence Criteria	Number Concurrently Serving As Members of The Remuneration Committees of Other Publicly Issued Companies
Independent Director (Convener)	Randy Lee	Please refer to pages 14 to 15 for the disclosure of independent directors' independence under Director information (II).		None
Independent Director	Chien-Chung Fu			1
Independent Director	Jing-Mi Tang			None
Independent Director	Chih-Yang Tseng			None

3.4.2 Information on the operation of the Remuneration Committee

- The Company's Remuneration Committee consists of 4 members
- **The current term of members:**

May 31, 2023 to May 30, 2026; the Remuneration Committee met 2 times (A) in the most recent year and member qualifications and attendance are as follows:

Position	Name	Actual Number of Attendances (B)	Frequency of Attendance	Actual Attendance Rate (%) (B/A) (Note)	Remarks
Convener	Randy Lee	2	0	100%	Serving another term
Committee member	Chien-Chung Fu	2	0	100%	Serving another term
Committee member	Jing-Mi Tang	2	0	100%	Serving another term
Committee member	Chih-Yang Tseng	1	0	100%	Newly elected

Other matters to be recorded:

I. Remuneration Committee's scope of authority:

(I) Committee members should faithfully perform the following functions and powers with the attention of good managers, and be responsible to the Board of Directors as they submit their suggestions to the Board of Directors for discussion:

1. Formulate and regularly review the policies, systems, standards and structures of directors, supervisors, and managers' performance evaluation and remuneration.
2. Regularly evaluate and determine the remuneration of directors, supervisors, and managers.

(II) When the Committee performs the functions and powers of the preceding article, they should be based on the following principles:

1. The performance evaluation and remuneration of directors, supervisors, and managers should refer to the usual level of payment in the industry. Furthermore, they should consider

the reasonableness of the connection with personal performance, company operating performance and future risks.

2. Directors and managers should not be incentivized to engage in behaviors that exceed the Company's risk tolerance in pursuit of remuneration.
3. The ratio of dividends to directors and senior managers' short-term performance and the payment time of part of the variable salary shall be determined in consideration of industry characteristics and the nature of the Company's business.

(III) The salary remuneration referred to in the preceding two paragraphs includes cash remuneration, stock options, employee stock bonuses, retirement benefits or severance payments, various allowances, and other measures with substantial incentives.

II. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, the date and period of the Board of Directors, the content of the proposal, the resolution of the Board of Directors, and the Company's handling of the opinions of the Remuneration Committee should be stated. (If the remuneration approved by the Board of Directors exceeds the recommendation of the Remuneration Committee, the differences and reasons should be stated): None.

III. On resolutions of the Remuneration Committee, if members have objections or reservations and have records or written declarations, the date, period, proposal content, opinions of all members and the handling of the opinions of the members shall be stated: None.

IV. Reasons for discussions and resolutions of the Remuneration Committee in 2024, and the company's handling of members' opinions:

Meeting Date	Proposal	Resolution Result	Company's Handling
1st meeting of 2024, March 11, 2024	The Company's remuneration plan for directors for 2023	Approved by all members present	Proposed to the Board of Directors and approved by all directors present
	The Company's remuneration plan for employees for 2023		
2nd meeting of 2024 August 29, 2024	The Company's distribution plan for directors' remuneration for 2023	Approved by all members present	Proposed to the Board of Directors and approved by all directors present
	The Company's distribution plan for manager and employee remuneration for 2023		

3.4.3 Corporate Governance and Sustainability Committee

- The Company's Corporate Governance and Sustainability Committee is composed of five directors, four of whom are independent directors.
- **The current term of members:**

May 31, 2023 to May 30, 2026; the Corporate Governance and Sustainability Committee met 2 times (A) in the most recent year and member qualifications and attendance are as follows:

Position	Name	Actual Number of Attendances (B)	Frequency of Attendance	Actual Attendance Rate (%) (B/A) (Note)	Remarks
Convener	Randy Lee	2	0	100%	Serving another term
Committee member	Chen-Phan Pu	2	0	100%	Serving another term
Committee member	Chien-Chung Fu	2	0	100%	Serving another term
Committee member	Jing-Mi Tang	2	0	100%	Serving another term
Committee member	Chih-Yang Tseng	2	0	100%	Newly elected

Other matters to be recorded:

I. Scope of Responsibilities of the Corporate Governance and Sustainability Committee:

1. To supervise the implementation of corporate social responsibility and sustainability matters, and to assess the effectiveness of their execution.
2. To review and propose for Board approval the formulation and amendment of key policies and procedures, including the Code of Practice for Corporate Social Responsibility, the Corporate Governance Best-Practice Principles, and the Ethical Corporate Management Best-Practice Principles.
3. To review and propose for Board approval the formulation and amendment of important corporate regulations, such as the Articles of Incorporation, the Rules of Procedure for Shareholders' Meetings, the Procedures for Election of Directors, and the Rules of Procedure for Board Meetings.
4. To review and propose for Board approval the formulation and amendment of the organizational rules of the Board's functional committees.
5. To supervise and guide the Company's participation in various corporate governance evaluations, assess the results, and evaluate the performance of the Board of Directors, with findings to be submitted to the Board.
6. To assess the channels through which the Board of Directors obtains information, as well as the quality and timeliness of such information.
7. To review the governance relationships between the Company and its subsidiaries or other affiliated enterprises.
8. To handle other material matters stipulated by the Company or competent authorities.

II. Meeting Dates, Session Numbers, Agenda Items, Resolutions, and the Company's Handling of the Committee's Opinions in the Most Recent Year:

Meeting Date	Proposal	Resolution Result	Company's Handling
1st meeting of 2024, February 21, 2024	<ol style="list-style-type: none"> 1. Discussion on the implementation status of the Company's Corporate Governance and Sustainability Task Force work plan for the second half of 2023, and formulation of the 2024 work plan. 2. Discussion on the performance evaluation of the Board of Directors and functional committees for 2023. 3. Discussion on the progress tracking of greenhouse gas inventory implementation for the Company and its consolidated subsidiaries. 	Approved by all members present	Proposed to the Board of Directors and approved by all directors present
2nd meeting of 2024, August 09, 2024	<ol style="list-style-type: none"> 1. Discussion on the implementation status of the Corporate Governance and Sustainability Task Force work plan for the first half of 2024. 2. Discussion on the progress tracking of greenhouse gas inventory implementation for the Company and its consolidated subsidiaries. 3. Discussion on the Company's 2023 Sustainability Report. 	Approved by all members present	Proposed to the Board of Directors and approved by all directors present

3.5 Status of Promotion of Sustainable Development and Deviation from The Sustainable Development Best Practice Principles for TWSE/Tpex Listed Companies and Reasons Thereof:

Evaluation Item	Operational Status			Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary Description	
I. Has the Company established exclusively (or concurrently) dedicated units to promote sustainable development, and has the Board of Directors placed senior management personnel in charge of the promotion and monitored the promotion?	V		<ol style="list-style-type: none"> 1. The Company established the Corporate Governance and Sustainability Committee in November 2021. 2. The committee is responsible for proposing and implementing policies or systems, such as promoting corporate governance, developing a sustainable environment, and maintaining social welfare. 3. The current term of the committee is composed of four independent directors and one director. There are a corporate governance team and a sustainability team under the jurisdiction of the committee, which shall be responsible for promoting corporate governance, humanistic care, sustainable environment, corporate value chain, and other ESG policies and goals. events. 4. Among them, the sustainable development team formulates the mid-term and long-term sustainable development plan, and submits it to the board of directors after deliberation. After the review and evaluation of the board of directors, the board will give appropriate suggestions to ensure that the sustainable development strategy is fully implemented in the daily operations of the company. 5. The Corporate Governance and Sustainability Management Committee reports the implementation results of sustainable development and future work plans to the Board of Directors every six months. The Board of 	No difference

Evaluation Item	Operational Status			Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary Description	
			<p>Directors supervises the risks and opportunities of various issues assessed and managed by the Committee, and approves the policies and goals of sustainability-related issues and urge the management team to make adjustments in line with the Company's operating conditions.</p> <p>6. The Company held a meeting on February 20, 2025 The contents of the motions included issues that require attention in the development of sustainable operation in 2025, and an implementation plan for 2025 was formulated; supervise the implementation of sustainable operation matters, and evaluate the implementation.</p> <p>7. The Company has established a Sustainability and Corporate Social Responsibility Department under the General Administration Office. The department currently consists of 10 staff members and is responsible for formulating the Company's annual CSR execution plans, conducting regular audits, promoting CSR initiatives, and compiling the Corporate Sustainability Report.</p>	
II. Does the Company follow the principle of materiality, conduct risk assessments on environmental, social and corporate governance issues related to company operations, and formulate relevant risk management policies or strategies?	V		<p>1. The company has formulated a Corporate Social Responsibility Policy. At the same time as the Company is operating, it is actively implementing corporate social responsibility to comply with the international trend of balancing the development of the environment, society and corporate governance.</p> <p>2. The Company has set up an Internal Audit Department to inspect and evaluate the effectiveness of the internal control system, and provide suggestions for improvement in a timely manner. It does so to ensure the continuous and</p>	No difference

Evaluation Item	Operational Status			Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary Description	
			<p>effective implementation of various systems, and to assist the Board of Directors and management to achieve and set goals by evaluating and improving risk management. Through the establishment and maintenance of the Company's internal audit system, the improvement plan is developed thereby.</p> <p>3. Based on the assessed risks, relevant risk management policies or strategies have been established as outlined in the attached remarks table.</p>	
<p>III. Environmental Issues</p> <p>(I) Has the Company established an appropriate environmental management system based on its industrial characteristics?</p>	V		<p>The Company has obtained various system certifications, including ISO 14001, ISO 14064, ISO 50001, QC 080000, UL 2799, and OHSAS 18001, demonstrating its commitment to environmental management policies.</p> <p>The ISO 14001 certificate is valid from November 11, 2022 to January 11, 2028.</p> <p>The ISO 50001 certificate is valid from February 6, 2023 to April 7, 2028.</p>	No difference
(II) Has the Company committed itself to improving the utilization efficiency of various resources, and to using recycled materials with low impact on the environment?	V		The Company collaborates with suppliers to sell production scrap and other residual materials to recycling vendors in order to reduce environmental impact. In 2024, certain new products incorporated 100% recycled gold salts/tin, 54.54% recycled copper, and 45.45% recycled stainless steel.	No difference
(III) Does the Company assess the potential risks and opportunities of climate change for the Company now and in the future, and take measures to deal with climate-related issues?	V		1. To address climate change, the Company has adopted the TCFD framework to establish a comprehensive risk management system for identifying, assessing, and mitigating climate-related risks. The Company also conducts regular scenario analyses to simulate potential impacts under various climate change scenarios and adjusts its strategies accordingly.	No difference

Evaluation Item	Operational Status			Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary Description	
			2. The Company announced its participation in SBTi in December 2021 and commissioned PWC to assist in the formulation of science-based carbon targets. We set a carbon reduction target aligned with preventing temperatures from increasing 1.5°C by 2030, and the carbon reduction plan was officially certified by SBTi in November 2022.	
(IV) Does the company count greenhouse gas emissions, water consumption and the volume of total waste in the past two years, and formulate policies for energy saving and carbon reduction, greenhouse gas reduction, water management or other waste management?	V		<p>1. The Company is committed to energy-saving and carbon-reducing measures. The greenhouse gas emissions of each plant are checked in accordance with the ISO14064-1 standard, and obtain third-party verification; which is based on caring for the Earth and energy saving and environmental protection. In the future, we will continue to promote energy saving and greenhouse gas reduction policies. With the goal of continuous reduction, we hope to become a low-carbon enterprise with sustainable environmental development.</p> <p>2. The company has established emission reduction policy goals for greenhouse gases, water usage, and other waste management. We are committed to achieving net-zero emissions by 2040 under the Climate Pledge. For further details, please refer to the sustainability report published on the company's website.</p> <p>3. The Company announced its participation in SBTi in December 2021 and commissioned PWC to assist in the formulation of science-based carbon targets. We set a carbon reduction target aligned with preventing temperatures from increasing 1.5°C by 2030, and the carbon reduction plan was officially certified by SBTi in</p>	No difference

Evaluation Item	Operational Status			Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary Description	
			November 2022. 4. The company completed a greenhouse gas inventory in April 2024, which was verified by the external certification body, FAPIAO International Certification Co., Ltd., in April this year. The greenhouse gas verification statement was issued by FAPIAO International Certification Co., Ltd. in June.	
IV.Social Issues				
(I) Has the Company established related policies and procedures in accordance with applicable legal rules and the International Convention on Human Rights?	V		The Company complies with relevant laws and regulations such as the Labor Standards Act, and it formulates various management methods to protect the rights and interests of both employers and employees, and to institutionalize various internal operations of the company. There is also a social responsibility division to ensure that employees' basic rights and social responsibilities are followed and implemented.	No difference
(II) Has the Company formulated and implemented reasonable employee welfare measures (including salary, vacation and other benefits, etc.), and appropriately reflects business performance or results in employee compensation?	V		The Company's internal regulations stipulate corporate ethics, and a reasonable salary and remuneration policy, as well as a clear performance appraisal, reward and punishment system, in line with corporate social responsibility policies.	No difference
(III) Has the Company provided a safe and healthy work environment for the employees, and related education on occupational safety and health for the employees at regular intervals?	V		1. In 2024, a total of 456 occupational health, safety, and hygiene training sessions were conducted, covering topics such as accident prevention and handling, fire safety, safe chemical usage, prevention of hazardous machinery, and electrical safety. A total of 21,399 participants attended the training. To strengthen emergency management,	No difference

Evaluation Item	Operational Status			Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary Description	
			<p>command, and handling of unforeseen events, and to continuously improve the emergency organizational management system, 88 emergency evacuation drills were held in 2024, with approximately 47,946 participants. These drills aim to enhance employees' self-rescue and mutual rescue abilities, ensuring that, in the event of an emergency, response actions are taken swiftly, accurately, and effectively to safeguard both lives and property.</p> <p>2. In 2024, all six major domestic and overseas manufacturing plants passed the ISO 45001 Occupational Health and Safety Management System certification. The Taiwan headquarters also passed the TOSHMS Taiwan Occupational Safety and Health Management System certification.</p> <p>3. In 2024, the recorded occupational injuries amounted to 31, with a recordable injury rate of 0.52. This represents a decrease compared to 2023, which had 32 recorded occupational injuries and a rate of 0.59. (Recordable injury rate is calculated per million working hours.)</p> <p>4. There were no cases of major fires and no casualties due to fires in 2024.</p>	
(IV) Has the Company provided effective training in career planning for employees?	V		The company currently trains personnel through on-the-job training to ensure that employees perform duties in existing positions and also learn to acquire necessary skills for promotion.	No difference

Evaluation Item	Operational Status			Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary Description	
(V) Regarding customer health and safety, customer privacy, marketing and labeling of products and services, does the Company comply with relevant regulations and international standards, and formulate relevant consumer protection policies and appeal procedures?	V		The Company complies with the relevant regulations and international standards for marketing and labeling of products and services. There is also a special area for stakeholders, providing a channel for customer questions, appeals or suggestions. The Company upholds the principle of good faith to protect the rights and interests of consumers.	No difference
(VI) Has the Company formulated supplier management policies, where suppliers are required to follow relevant regulations on issues such as environmental protection, occupational safety and health or labor and their implementation?	V		In addition to committing to self-regulation according to the strictest standards, the company also promotes the adherence to social responsibility among its suppliers. Using RBA, laws and regulations, and customer requirements as standards or content, we have established the Hon Hai Supplier Social Responsibility Code of Conduct. We also adopt various methods to communicate social responsibility policies and regulations to suppliers. Based on this, we conduct social responsibility compliance audits for new and key suppliers in areas such as labor, human rights, ethics, and the environment, ensuring that all suppliers meet the social responsibility requirements.	No difference
V. Does the Company refer to the internationally-prepared reporting standards or guidelines, preparation of corporate social responsibility reports and other reports that disclose the company's non-financial information? Did the preliminary report obtain the confidence or assurance opinion of the third-party verification unit?	V		1. The Company compiles and issues its corporate social responsibility report in accordance with the GRI Standard of the Global Reporting Initiative (GRI). It thus discloses the Company's sustainability issues, strategies, goals and measures, and the achievement of various indicators, and so on. In addition to complying with international trends and meeting the needs of customers and investors, it also exposes non-financial information that is not presented in the annual financial report. The content includes achievements in the economic, social, environmental and	No difference

Evaluation Item	Operational Status			Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary Description	
			<p>other related fields. The corporate social responsibility report can be viewed on the Company's official website.</p> <p>2. We completed the appointment of a third party to provide the Type 1 moderate-level assurance as per the AA1000 Assurance Standard for each sustainability report published by the Company from 2022 onwards. Sustainability reports published annually in the future shall also undergo third-party certification. For details, please refer to sustainability report announcements given on the Company's website.</p>	
<p>VI. If the Company has formulated its own Sustainable Development Best Practice Principles in accordance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe the difference between its operation and the established Principles:</p> <p>The Company has established its Corporate Social Responsibility Policies, and they have no major differences with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.</p>				
<p>VII. Other important information that facilitates the understanding of the efforts in promotion of sustainable development:</p> <p>The Company upholds the business philosophy of sincerity, macro, and responsibility, and continues to promote corporate governance, develop a sustainable environment, and maintain social welfare. In order to fulfill due corporate social responsibility, the Company must uphold integrity as the highest principle for its business operations and employee behaviors among its various codes of conduct; in the Company's system design or business strategies, sustainability is largely considered development-related issues and policies, in order to enable the Company to achieve stable and long-term sustainable development, and achieve the goal of social co-prosperity and symbiosis with the environment.</p> <p>1. Social co-prosperity category:</p> <ul style="list-style-type: none"> ● Caring for the elderly in the community: Holding elderlies warmth meal event. (The events was held on December 6th and December 20th, 2024.) ● Blood Donation: The Bank donates blood three times a year. (The events was held on March 13th, July 10th, and November 13th, 2024.) <p>2. Environmental symbiosis:</p> <p>On October 14, 2024, the Sustainability Team gathered nearly 100 colleagues to participate in a tree planting activity at the Lueshui Tribe in Yilan. Through this hands-on initiative, the company supported local greening and ecological restoration efforts. The event included a guided tour, allowing participants to walk and learn about the local culture and natural environment. Interactions with community members also promoted 交流 and</p>				

Evaluation Item	Operational Status			Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary Description	
connections between the community and the company, helping to create stable and sustainable employment opportunities in the area. In addition to reducing carbon emissions and enhancing ecological conservation, the tree planting activity deepened employees' understanding of biodiversity, responsible consumption, and cultural sustainability, reinforcing the company’s commitment to environmental and social integration.				

● **Remarks**

The company conducts risk assessments related to environmental, social, and corporate governance (ESG) issues that are relevant to its operations, following the principle of materiality. Based on these assessments, the company establishes relevant risk management policies or strategies.

Category	Sustainability Theme	Mitigation Measures / Response Policies
Governance	Corporate Governance	In accordance with domestic and international regulatory requirements, strengthen the functions of the board of directors, regularly hold functional committees, and report to shareholders' meetings to enhance transparency and protect the interests of stakeholders.
	Financial Performance	Continuously strengthen the company's competitive advantage in research and development and technology based on business objectives, invest in the development and design of new products and technologies, while improving efficiency, reducing costs, and minimizing environmental impacts from products and processes to maintain competitiveness and provide employees with a stable working environment for sustainable business operations.
	Integrity Management	Adopt a zero-tolerance attitude toward any behavior or activities that violate regulations. Actively audit according to internal policies, accept reports, and implement anti-corruption policies for both employees and suppliers.
	Information Security	Conduct regular internal cybersecurity audits, reinforce security measures, and address vulnerabilities in information systems to maintain smooth system operations. Internal cybersecurity meetings are held to strengthen the organization's resilience against cybersecurity incidents and threats.
	Supplier Management	Build a supplier management platform, develop a hierarchical approach for supplier sustainability documentation, conduct surveys on major suppliers' green qualifications, and investigate suppliers' global locations, collecting information on sustainable local procurement points.

Category	Sustainability Theme	Mitigation Measures / Response Policies
Social	Employee Rights and Diversity & Inclusion	Comply with local labor laws, the Responsible Business Alliance (RBA) Code of Conduct, and relevant international conventions. Foster a harmonious and equitable workplace, thereby enhancing overall business performance.
	Employee Training and Development	Foxlink emphasizes the development of employees' personal potential and professional interests. Through long-term initiatives such as industry-academia collaboration and campus recruitment programs, the company cultivates the next generation of technical professionals. Online management courses are offered to diversify learning opportunities for employees.
	Occupational Health & Safety	The Group implements an international occupational health and safety management system, continuously improving the intrinsic safety of equipment and facilities, and strengthening change management requirements. Plans and implements regular self-inspections of mechanical equipment.
Environmental	Climate Change & Greenhouse Gas Management	<p>Business Continuity: Maintain ongoing operational plans to ensure effective backup operations during emergencies, and obtain appropriate insurance coverage to transfer losses resulting from disasters</p> <p>Regulatory Tracking and Response: Environmental Sustainability Team and relevant departments closely monitor domestic and international laws, policies, and guidelines, holding regular discussions and reports to enable early response and reduce potential impacts.</p> <p>Net-Zero Transition: Participate in international sustainability initiatives, actively conduct carbon inventories, and adopt measures such as improving energy and resource efficiency, investing in renewable energy, generating carbon asset opportunities, and enhancing corporate reputation to support emissions reduction and transition goals.</p>
	Quality Management	Foxlink is committed to product quality, maintaining a comprehensive quality management system to ensure the safety of products and services while meeting customer and regulatory requirements. Environmental impact is considered at the design stage, including avoiding the use of hazardous raw materials, improving product performance, and designing for easy disassembly or recycling.

● Climate Related Information of TWSE/Tpex-Listed Companies

1. Implementation Status of Climate-Related Information

Item	Implementation Status
1. Describe the oversight and governance of climate-related risks and opportunities by the Board of Directors and management.	<ul style="list-style-type: none"> ■ The Board of Directors appointed the Sustainable Development Committee to manage climate issues. Based on the climate-related risk topics collected, the Committee uses the Recommendations of the Task Force on Climate-related Financial Disclosures to identify, analyze and track the implementation of climate change related plans/actions. The possibility and degree of impact of climate risks, and appropriate mitigation and adjustment measures are taken. Led by the Environmental Sustainability Team of the Sustainable Development Task Force, we identify the priority of risks and opportunities according to “level of impact” and “likelihood of occurrence.” Regarding the management process of risks and opportunities prioritization, we ensure that material climate-related risks/mechanisms are all properly grasped and assessed. Identify the impacts and risks faced by the Group in response to carbon neutrality, and formulate response strategies and management systems to reduce operational risks caused by climate change. ■ The Company established a Corporate Governance and Sustainable Development Committee and elected Mr. Randy Lee as the committee convener while concurrently establishing a Corporate Governance Task Force and Sustainable Development Task Force, to be convened, respectively, by Kufn Lin and Vice-President Spencer Yeh. Among them, the Sustainable Development Task Force leads the supervision and governance of Cheng Uei's internal climate-related risks and opportunities. Task force members include the heads of the production departments and the heads of the central manufacturing site units. ■ The Committee reports implementation results, climate-related risk response strategies, and annual operating guidelines to Board of Directors every six months. At the same time, internal meetings are held regularly every month with meeting topics to include responses to major customer requirements, monitoring risk events, reviewing energy saving and emission reduction targets and annual budgets and overseeing the implementation performance of each

	<p>department.</p> <ul style="list-style-type: none"> ■ In cases involving climate and major capital investment, including energy-saving technological transformation projects, in accordance with the internal construction project contracting operation management measures, a bid review committee shall be established for a certain amount or more to review relevant materials and propose a bid award proposal. The Audit Committee composed of independent directors of the Company will then review the case and decide the bid.
<p>2. Describe how the identified climate risks and opportunities will affect the Company's business, strategy, and finances (in the short, medium and long term).</p>	<ul style="list-style-type: none"> ■ The Company committed to setting science-based targets in 2021 and passed the Science Based Target Initiative (SBTi) compliance review in 2022. ■ Referring to the schedule of carbon reduction targets, we have set 2021 as the base year and the short term is defined as 1 to 3 years; the medium-term is 4 to 6 years; and the long term is more than 6 years. ■ Short-, medium- and long-term risks: <ol style="list-style-type: none"> 1. Short term: Increased cost of raw materials; stricter environmental and energy regulations; extreme weather such as typhoons and floods. 2. Medium term: Increased cost of renewable energy acquisition; cost of transition to a low-carbon economy. 3. Long term: fuel/energy tax or carbon tax; net-zero emission trend; long-term difficulty in obtaining renewable energy. ■ Short-, medium- and long-term opportunities: <ol style="list-style-type: none"> 1. Short term: the development of new products and circular economy innovation of raw materials; improving the natural disaster response and defense mechanism; and reducing the use of water resources. 2. Medium term: participation in renewable energy projects, carbon trading markets and energy-consuming equipment renovations. 3. Long term: improvement of energy resource production efficiency; investment in renewable energy; generation of opportunities for carbon assets and enhancement of our corporate reputation.
<p>3. Describe the financial impact of extreme climate events and transformational actions.</p>	<ul style="list-style-type: none"> ■ The Company identifies risks and opportunities covering products and services, supply chains, adaptation and mitigation activities, R&D investment, and operations and assesses the probability and extent of events according to each risk and opportunity. ■ The Company further analyzes the operating costs and revenues, capital

	<p>expenditures and allocations, capital acquisitions, acquisitions and asset carve-out acquisitions that will result from the event to understand the financial impact of the event on the organization and develop response strategies.</p>
<p>4. Describe how the identification, assessment and management processes of climate risks are integrated into the overall risk management system.</p>	<ul style="list-style-type: none"> ■ The Board of Directors appointed the Sustainable Development Committee to manage climate issues. Based on the climate-related risk issues collected by the committee, we have adopted the Recommendations of the Task Force on Climate-related Financial Disclosures risk framework while identifying, analyzing and tracking the implementation status of climate change-related plans/actions, and take appropriate mitigation and adaptation measures depending on the likelihood of climate risk and the level of impact. ■ Led by the Environmental Sustainability Team of the Sustainable Development Task Force, we identify the priority of risks and opportunities according to “level of impact” and “likelihood of occurrence.” Regarding the management process of risks and opportunities prioritization, we ensure that material climate-related risks/mechanisms are all properly grasped and assessed.
<p>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 explained.</p>	<ul style="list-style-type: none"> ■ The scenario analysis reflects the Company's establishment of 2022 as the base year, adopting an emission scenario where the absolute carbon reduction must at least meet the 1.5°C target with the Absolute Contraction Approach under IPCC AR5 (2014) serving as the baseline scenario. The main financial impact comes from the payment of carbon fees, the increase in operating costs due to the purchase of renewable energy electricity certificates and the increase in the installation and operation costs of carbon reduction equipment.
<p>6. If there is a transition plan to address climate-related risks, describe the content of the plan and the indicators and objectives used to identify and manage physical and transition risks.</p>	<ul style="list-style-type: none"> ■ In 2024, a major energy-saving technical upgrade project was completed at the company's primary manufacturing base in the South China region. The initiative optimized plant utility systems, including upgrades to the chiller system, air compression system, and dormitory heat pump system. Additionally, energy-efficient motor upgrades were implemented in production areas, along with replacements of vacuum pumps and cooling systems. The annual electricity savings are expected to reach 4.972 million kWh. ■ A total of 202 power meters in the South China facility's energy management system were replaced to meet regulatory requirements. This included updates to sub-meters and an upgrade of the energy management platform software, enabling accurate and effective energy data collection.

	<ul style="list-style-type: none"> ■ In 2024, renewable energy usage reached 55.4%. Self-owned solar power installations generated 11,049 MWh, and approximately 144,181 MWh were procured through Power Purchase Agreements (PPA) and green certificates. The company continues to expand in-house solar power installations and seeks stable-price renewable electricity sources to mitigate cost increases related to green energy acquisition. ■ The company enhanced the recycling rate of metal materials and increased the proportion of recycled gold, copper, and stainless steel used, promoting responsible sourcing. Major production facilities obtained UL2799 certification, improving recycling and reuse rates while reducing operational costs.
7. If internal carbon pricing is used as a planning tool, the basis for setting prices should be stated.	<ul style="list-style-type: none"> ■ The company has collected baseline data based on emission reduction targets and factors such as economic conditions, market environment, and the pricing of environmental externalities. It plans to establish an internal carbon pricing mechanism by 2025, with implementation scheduled to begin in 2026.
8. If there are climate-related targets, they should state the activities covered, the scope of greenhouse gas emissions, the planning period and the progress of achieving each year. If carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant target, the source and amount of carbon reduction credits or the number of RECs should be stated.	<ul style="list-style-type: none"> ■ Through STBi, Cheng Uei is committed to reducing absolute Scope 1 and Scope 2 emissions in the target year of 2030 by 42% compared with the base year of 2021. Scope 3 emissions from the use of goods and services purchased and sold were reduced by 25% compared to the base year of 2021. ■ Net zero emissions by 2040. ■ In 2024, the usage rate of renewable energy—including environmental attribute purchases and photovoltaic power generation—reached 55.4%.
9. Greenhouse gas inventory, assurance status, and reduction targets, strategies, and concrete action plans (please fill in 1-1 and 1-2 separately)	<ul style="list-style-type: none"> ■ In accordance with the GHG Protocol, the Company inventories greenhouse gas emissions via direct emissions (Scope 1) and indirect emissions (Scope 2). In 2024, a total of five manufacturing sites passed ISO 14064-1 greenhouse gas inventory verification. ■ From 2023, Scope 3 inventory will be conducted with reference to GHG Protocol Scope 3, including emissions from the purchase of goods and services and the use of products sold. For the relevant greenhouse gas inventory results, please refer to the sustainability report published on the Company's official website.

1-1 GHG Inventory and Assurance in The Last 2 Years

<p>Basic Information of The Company</p> <p><input type="checkbox"/> Companies with capital of more than NTD 10 billion and those in the steel industry and cement industry</p> <p><input checked="" type="checkbox"/> Companies with capital of more than NTD 5 billion but less than NTD 10 billion</p> <p><input type="checkbox"/> Companies with capital of less than NTD 5 billion</p>	<p>In Accordance with The Regulations of The Sustainable Development Road Map of Listed Companies, Disclosed at a Minimum</p> <p><input checked="" type="checkbox"/> Standalone inventory of parent company</p> <p><input type="checkbox"/> Inventories of subsidiaries in the consolidated financial statements</p> <p><input checked="" type="checkbox"/> Standalone confirmation for parent company</p> <p><input type="checkbox"/> Confirmation of subsidiaries in the consolidated financial statements</p>
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Year	Scope 1	Total Emissions (CO ₂ e mt)	Intensity (tons of CO ₂ e/NTD million)	Confirming Agency	Description of Assurance
2024	Parent Company	254.1908	0.0046	Afnor INTERNATIONAL CO., LTD.	Have not obtained a verification statement.(Note)
	Subsidiary	/	/		
	Total	254.1908	0.0046		
2023	Parent Company	260.1865	0.0045	Afnor INTERNATIONAL CO., LTD.	Of the company's total disclosed greenhouse gas emissions, 260.1865 metric tons of CO ₂ e (accounting for 2.70% of total emissions) were assured by an independent assurance provider in accordance with the ISAE 3410 and ISO 14064-3 standards, with a reasonable assurance opinion issued.
	Subsidiary	/	/		
	Total	260.1865	0.0045		

Year	Scope 2	Total emissions (CO2e mt)	Intensity (CO2e mt/NTD million)	Confirming agency	Description of assurance
2024	Parent company	1,406.6156	0.0255	Afnor INTERNATIONAL CO., LTD.	Have not obtained a verification statement.(Note)
	Subsidiary	/	/		
	Total	1,406.6156	0.0255		
2023	Parent company	1,399.6996	0.0240	Afnor INTERNATIONAL CO., LTD.	Of the company's total disclosed greenhouse gas emissions, 1,399.6996 metric tons of CO ₂ e (accounting for 21.64% of total emissions) were assured by an independent assurance provider in accordance with the ISAE 3410 and ISO 14064-3 standards, with a reasonable assurance opinion issued.
	Subsidiary	/	/		
	Total	1,399.6996	0.0240		
Year	Scope 3	Total emissions (CO2e mt)	Intensity (CO2e mt/NTD million)	Confirming Agency	Description of Assurance
2024	Parent company	17,291.5562	0.3134	Afnor INTERNATIONAL CO., LTD.	Have not obtained a verification statement.(Note)
	Subsidiary	/	/		
	Total	17,291.5562	0.3134		
2023	Parent company	7,987.7473	0.1368	Afnor INTERNATIONAL CO., LTD.	Of the company's total disclosed greenhouse gas emissions, 7,987.7473 metric tons of CO ₂ e (accounting for 82.79% of total emissions) were assured by an independent assurance provider in accordance with the ISAE 3410 and ISO 14064-3 standards, with a limited assurance opinion issued.
	Subsidiary	/	/		
	Total	7,987.7473	0.1368		

Note: The complete greenhouse gas assurance opinion for 2024 was not obtained by the printing date of the annual report. The full assurance information will be disclosed in the company's 2024 Sustainability Report.

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

Foxlink established the Corporate Governance and Sustainability Committee in 2021, which includes a subcommittee on Environmental Sustainability. This subcommittee is responsible for formulating greenhouse gas reduction targets, emission reduction strategies, and specific action plans. The progress of these plans, along with the achievements in emissions reduction, is reported to the board of directors every six months. In 2021, Foxlink committed to establishing science-based carbon reduction targets and underwent a compliance review by the Science Based Targets initiative (SBTi) in 2022. Foxlink's commitment includes an absolute reduction of 42% in Scope 1 & 2 emissions by 2030 compared to the 2021 baseline year. Additionally, in Scope 3 emissions related to purchased goods and services and emissions from product use and sales, Foxlink aims to achieve a 25% reduction by 2030 compared to the 2021 baseline year. Furthermore, in 2023, Foxlink made a commitment to achieve net zero emissions by 2040 under The Climate Pledge.

To ensure the accuracy and integrity of greenhouse gas (GHG) data, five major domestic and overseas manufacturing sites, comprising eight legal entities, completed ISO 14064 GHG verifications in 2024. In the third quarter of 2024, a GHG inventory management platform was implemented to centrally manage and store emissions data. This system enables efficient tracking, statistical analysis, and assessment of emission performance, assisting management in formulating effective reduction strategies and targets.

In 2024, Foxlink's CDP performance band improved to a B Management Level for water security and maintained a B Management Level for climate change, demonstrating the company's ongoing commitment and efforts toward decarbonization and climate-related issues.

Total GHG emissions in 2024 decreased compared to the 2021 baseline year (detailed emissions data will be disclosed in the company's upcoming sustainability report). This reduction is primarily attributed to continuous energy-saving initiatives, including self-generated solar power, green electricity purchases, and the acquisition of renewable energy certificates. In particular, solar installations at the Xuzhou and Taiwan plants were connected to the grid in 2024, reinforcing Foxlink's strong commitment to carbon reduction.

In 2024, the proportion of renewable energy use—including environmental attribute purchases and photovoltaic generation—reached 55.4%.

Our group has committed to achieving net zero emissions by 2040 and has devised a carbon reduction pathway. In 2022, renewable energy usage reached 50%, and it is projected to constitute 56.54% of total energy usage by 2030, meeting the requirements of the Science Based Targets initiative (SBTi). In 2024, the group will implement greenhouse gas inventory and supplier survey systems to scientifically compile and manage greenhouse gas data. Additionally, the solar power generation equipment installed at the Xuzhou plant will be put into operation, demonstrating the Foxlink's dedication to carbon reduction efforts.

3.6 Ethical Business Performance Conditions, As Well As Differences and Reasons for Differences with Ethical Corporate Management Best Practice Principles for TWSE / GTSM Listed Companies

Evaluation Items	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and Causes thereof
	Yes	No	Summary Description	
<p>I. Formulation of ethical management policy and plans</p> <p>(I) Has the Company specified its policy and method for the implementation of ethical corporate management in its internal rules and regulations and external documents, and have the Board and the management of the Company promised to pursue the policy of ethical corporate management?</p>	V		<p>On March 11, 2011, the Board of Directors of the Company approved the formulation of Ethical Corporate Management Best Practice Principles. In addition, the Board of Directors of the Company approved the establishment of the Corporate Governance and Sustainable Development Committee on November 12, 2022 to promote and improve matters related to corporate governance and sustainable development. At the same time, through the establishment of a Corporate Governance Task Force and Sustainable Development Task Force, the implementation of ethical corporate management matters is included in the scope of the Corporate Governance Task Force. Furthermore, these matters are handed over to the stock affairs unit to be responsible for the formulation and supervision of ethical management policy and prevention plans, reporting regularly to the committee and to the Board of Directors.</p> <p>The Corporate Governance and Sustainable Development Committee meets at least twice a year. Each task force puts forth an annual</p>	No difference

Evaluation Items	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and Causes thereof
	Yes	No	Summary Description	
			<p>implementation plan at the beginning of the year and submits a report on the implementation results every six months. Said annual implementation plan and report on the implementation results are reviewed by the committee and reported to the Board of Directors.</p> <p>The Committee was convened in 2024 on February 21, 2024 and August 09, 2024. The second committee passed the annual work plan of the annual working group and the semi-annual work implementation progress review, and both of them were submitted to the Board of Directors meeting convened on the same day.</p>	
(II) Has the Company established an assessment mechanism for the risk of dishonesty, regularly analyzing and evaluating business activities with a high risk of dishonesty in the business scope, and formulated a plan to prevent dishonesty, and cover at a minimum the preventive measures for various acts under Article 7, Paragraph 2 of "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?"	V		When conducting daily verifications, the internal audit unit will also include in the verification whether there is any dishonest behavior internally. When an employee demonstrates dishonest behavior, he or she shall be punished in accordance with the Employee Reward and Punishment Measures based on the circumstances and impact.	
(III) Does the Company specify the operating procedures, behavior guidelines, disciplinary penalties and grievance system in the plan to prevent dishonesty, and implement it, and regularly review and revise the pre-	V		In order to ensure the implementation of ethical management, all employees of the corporate Group have signed its Integrity Commitment Agreement. Furthermore, the occurrence of unethical business	

Evaluation Items	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and Causes thereof
	Yes	No	Summary Description	
disclosure plan?			activities, bribery, and kickbacks through the verification mechanisms of the internal audit unit.	
II. Implementation of Ethical Corporate Management (I) Does the Company assess a trading counterpart's ethical management record and expressly state the ethical management clause in the contract to be signed with the trading counterpart?	V		Both the Company and its suppliers sign a Supplier Integrity Commitment Agreement. When entering into the Agreement, the rights and obligations of both parties are specified in detail, and it is clearly stipulated that all suppliers should abide by it.	No difference
(II) Has the Company set up a special unit under the board of directors to promote corporate ethical management, and regularly reports (at least once a year) to the board of directors on its ethical management policies and plans to prevent dishonesty and supervision and implementation?	V		The Company's stock affairs unit is responsible for the formulation and supervision of the implementation of the corporate ethical management policy and prevention programs. It reports the implementation status to the Board of Directors at least once a year. The most recent report was to the Board of Directors on August 29, 2024. For the status of implementation of ethical management for 2024, please refer to Page 78 of this annual report.	
(III) Has the Company developed a policy to prevent conflicts of interest, provided a proper presentation channel, and put such policy in place?	V		All employees of the company signed an Employee Integrity Commitment Agreement and there is a channel for appeals. For any violations or appeals, employees may report to their direct supervisors, human resources, or the audit unit.	
(IV) Has the Company established an effective accounting system for the implementation of ethical management, internal control system, and the evaluation result of the	V		The Company has established an effective accounting system and internal control system, and formulates an internal audit plan every year. The	

Evaluation Items	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and Causes thereof
	Yes	No	Summary Description	
risk of dishonesty by the internal audit unit, to formulate relevant audit plans, and check the compliance with the plan to prevent dishonesty, or entrusted an accountant to perform the audit?			internal audit unit performs various audit operations in accordance with the audit plan, and will arrange additional special audits when special circumstances occur.	
(V) Does the Company hold education training in ethical corporate management inside and outside the Company on a regular basis?	V		The Company has established its Ethical Corporate Management Best Practice Principles, and the Company's employees and suppliers have signed Integrity Commitment Agreements. The Company also promotes relevant norms for ethical management from time to time.	
III. Operation of the Company's reporting system (I) Has the Company put in place the specific whistle-blowing and reward system, established a convenient reporting channel, and assigned appropriate personnel to deal with whistle-blowing?	V		The Company has a complaint hotline and mailbox, and has dedicated personnel to handle related affairs as well as rules for conducting fraud inspections.	No difference
(II) Has the Company established standard operating procedures for accepting complaints, follow-up measures to be taken after the investigation is completed, and relevant confidentiality mechanisms?	V		The Company has established a whistleblowing process, and the identity of an informant and the content of ant report will be kept confidential.	
(III) Has the Company taken measures to protect whistle-blowers from retaliation due to reporting?	V		The Company has established internal and external whistleblowing procedures and fraud detection regulations; It also expressly adopts measures to protect informants from improper handling as a result of a report.	
IV. Strengthening information disclosure Has the Company, on its website and on the Market	V		The Company discloses its corporate culture and	No difference

Evaluation Items	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and Causes thereof
	Yes	No	Summary Description	
Observation Post System, disclosed the content and promotion effectiveness of its Ethical Corporate Management Best Practice Principles?			business policies on the Company's website, and discloses ethical management information on the Market Observation Post System.	
V. If the Company has enacted the Ethical Corporate Management Best Practice Principles in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please describe the difference between its operation and the Principles: The Company has enacted its Ethical Corporate Management Best Practice Principles, and there are no major differences with the Ethical Corporate Management Best Practice Principles for TWSE / GTSM Listed Companies.				
VI. Other information that enables a better understanding of the Company's ethical corporate management (for example, the Company's review and revision the Ethical Corporate Management Best Practice Principles, etc.): <ul style="list-style-type: none"> ● In adherence with the November 7, 2014 letter Taizheng Zhili Zi No. 1030022825 of the Taiwan Stock Exchange Corporation, the Company has revised relevant provisions of its Ethical Corporate Management Best Practice Principles. In addition, in order to implement its ethical management policies and prevent dishonest behavior, the Company also regularly organizes internal education and training courses on ethical management. ● Suppliers are required to sign the "Supplier Integrity Commitment Letter" and the "Supplier Social Responsibility Commitment Letter." ● Regular training and awareness sessions are conducted for employees to reinforce the Code of Ethical Conduct and promote integrity in business operations. 				

3.7 Other important information that is sufficient to improve the understanding of corporate governance operations that must be concurrently disclosed: None.

3.8 Implementation Status of Internal Control System:

(1) Internal Control System Statement:

**Cheng Uei Precision Industry Co., Ltd.
Internal Control System Statement**

Date: March 07, 2025

For the Company's Internal Control System of 2023, based on the results of self-assessment, the following is hereby declared:

- I. The Company acknowledges and understands that the establishment, implementation and maintenance of the internal control system are the responsibility of the Board and managerial officers of the Company, and that such a system has been implemented within the Company. The purpose of the system is to reasonably ensure that the effectiveness and efficiency of operations (including profits, performance, and protecting the security of assets), reliability, timeliness, transparency, and regulatory compliance of reporting, as well as the compliance with applicable laws, regulations, and bylaws are achieved.
- II. The internal control system is designed with inherent limitations. No matter how perfect the internal control system is, it can only provide a reasonable assurance to the fulfillment of the three objectives referred to above. Moreover, the effectiveness of the internal control system could be affected by the changes of environment and circumstances. However, the company's internal control system has a self-supervision mechanism. Once the missing element is recognized, the company takes corrective action.
- III. The Company evaluates the design and execution of its internal control system based on the criteria specified in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations") to determine whether the existing system continues to be effective. The criteria defined in "the Regulations" include five elements depending on the management control process: 1. environment control, 2. risk assessment, 3. control process, 4. information and communication, and 5. supervision. Each constituent contains several criteria. Please refer to "the Regulations" for details.
- IV. The Company has adopted the said criteria to validate the effectiveness of its internal control system design and execution.
- V. Based on the results of examination, the Company believes that the design and implementation of its internal control system dated December 31, 2023 (including supervising and managing its subsidiaries), consisting of the effectiveness and efficiency of business operations, the preparation of reliable, timely and transparent financial statements, and their compliance with the relevant rules and regulations, are effective, and reasonably assure the achievement of the aforementioned goals.
- VI. This Statement will be a major part of the Company's annual report and prospectus, and will be made publicly available. The Company shall be held liable for misrepresentation or nondisclosure in the above content, according to Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. This Statement has been approved by the Company's Board of Directors at the meeting held on March 11, 2024, at which this Statement was unanimously endorsed by all 9 attending directors with 0 individuals having opposing opinions.

Cheng Uei Precision Industry Co., Ltd.

Chairman: T.C. Gou

President: T.C. Gou

(2) If it is necessary to entrust an accountant to review the internal control system, the accountant's review report shall be disclosed: None

3.9 In the most recent year and as of the printing date of the annual report, important resolutions of the shareholders meeting and Board of Directors:

(1) Board resolutions in 2024 and through March 31, 2025

Date	Resolution Matters
March 11, 2024	<ol style="list-style-type: none"> 1. Discussion of the Company's 2024 business plan. 2. Discussion of the 2023 salary and compensation proposal for directors and employees, as reviewed by the company's Compensation Committee. 3. Discussed the Company's 2023 financial statements and business status. 4. Discussed the Company's 2023 profit distribution 5. Discussed the assessment of the accountant's independence and competency and their remuneration 6. Discussed the Evaluation of the Effectiveness of the Internal Control System and the Internal Control System Statement for 2023. 7. Discussion of amendments to the Company's "Procedures for Loaning Funds to Others." 8. Discussion of the motion of the Company's loaning of funds to the subsidiary "Shinfox Energy Co., Ltd." 9. Discussion of the renewal of the Company's proposal for syndication of bank loans and application for bank financing. 10. Discussion of the convening of the Company's 2024 annual general meeting and its proposals.
May 15, 2024	<ol style="list-style-type: none"> 1. Discussed of the Company's 2024 first quarter financial statements and business status. 2. Discussion of capital increase in subsidiary and reinvestment in Da Nang, Vietnam. 3. Discussion of the Company's investment in the US subsidiary Foxlink Arizona Inc. 4. Discussion of the proposal for acquiring the right-of-use assets of real property from related party.
May 29, 2024	<ol style="list-style-type: none"> 1. Discussions of the procurement of the Asustek Computer Inc. equipment 2. Discussion of outsourcing the procurement of equipment and facilities in the computer rooms and related parties.
June 20, 2024	Discussion to lease the Company's computing center to the related party, Ubilink.AI Co., Ltd., for its use.
August 9, 2024	<ol style="list-style-type: none"> 1. Discussed of the Company's 2024 second quarter financial statements and business status 2. Discussion of the proposal for the Company to provide endorsement and guarantee to Luminy Systems Corporation. 3. Discussion on the Company's proposed new syndicated loan and applications for credit lines with various banks. 4. Discussion of the Company's 2023 sustainable report 5. Discussion on the proposed acquisition of land and factory in the Tucheng Industrial Zone from related party, Hsin Hung International Investment Co., Ltd.

Date	Resolution Matters
August 29, 2024	<ol style="list-style-type: none"> 1. Report of the Company's important financial and business information. <ol style="list-style-type: none"> a. Report on the company's financial and business information b. Report on the implementation status of internal audit operations c. Report on the operation of the company's risk management policies, information security, ethical business practices, intellectual property management, and stakeholder communication 2. Discussion of the distribution of remuneration to directors for 2023 reviewed and approved by the Company's Remuneration Committee. 3. Discussion of the distribution of remuneration to managers for 2023 by the Company's Remuneration Committee.
November 13, 2024	<ol style="list-style-type: none"> 1. Discussion of the Company's 2024 third quarter consolidated financial statements and operations 2. Discussion on the proposal to establish the company's "Regulations Governing Financial and Business Transactions among Related Parties." 3. Discussion on the proposed addition of the Company's "Sustainable Information Management Guidelines" 4. Discussion on the proposed addition of the Company's "Internal Control System for Sustainable Information Management" 5. Discussion on the revision of the Company's "Internal Audit Procedures" 6. Discussion on the revision of the Company's "Risk Management Procedures" 7. Discussion and formulation of the Company's internal audit plan in 2025 8. Approval of the company's bank financing credit line proposal.
March 07, 2025	<ol style="list-style-type: none"> 1. Approval of the company's 2025 (ROC Year 114) business plan proposal. 2. Approval of the 2024 (ROC Year 113) directors' and employees' compensation amounts as reviewed by the Compensation Committee. 3. Approval of the company's 2024 financial statements and business performance. 4. Approval of the 2024 earnings distribution proposal. 5. Approval of the proposal to replace the accounting firm, including evaluation of the firm's independence, competence, and the proposed remuneration. 6. Approval of the company's investment in Topcreate Technology Co., Ltd. 7. Approval of the company's investment in India. 8. Approval of the company's investment in its U.S. subsidiary, FOXLINK ARIZONA INC. 9. Approval of the amendment to the computing center lease agreement with related party You-Wei Supercomputing Co., Ltd. 10. Approval of the company's bank financing credit line application. 11. Approval of the 2024 "Internal Control System Effectiveness Assessment" and "Statement on Internal Control System." 12. Approval of the revision to the company's payroll cycle and the definition of basic-level employees. 13. Approval of the proposed amendments to the company's Articles of Incorporation. 14. Approval of the amendments to the "Board Meeting Rules." 15. Approval of the amendments to the "Audit Committee Charter." 16. Approval of convening the 2025 Annual General Shareholders' Meeting and its agenda.

(2) Resolution matters and implementation status passed by all shareholders present at the General Meeting of Shareholders of May 30, 2024

Resolution matters	Implementation status
The 2023 business final account statement and profit distribution statement of the Company	<ul style="list-style-type: none"> ● The relevant financial statements have been filed with the competent authority for reference, announcement and declaration in accordance with the Company Act and other relevant laws and regulations. ● The cash dividend per share was NTD 2 per share (in which cash dividends were distributed by resolution of the board of directors and reported to the shareholders' meeting), the ex-dividend date was set on July 24, 2024, and the cash distribution dividends was made on August 16, 2024.
Discussion of the Company's proposed amendments to the Procedures for Lending Funds to Others	<ul style="list-style-type: none"> ● The resolution shall take effect upon approval at the Shareholders' Meeting, be announced on the company's website, and be implemented in accordance with the revised provisions.

3.10 In the most recent year and up to the date of publication of the annual report, the major contents of the opposition to or qualified opinions expressed by directors or supervisors about the significant resolutions passed by the Board of Directors that have been noted in the records or declared in writing: None.

4. Information about CPA Professional Fees

4.1 Information about CPA Professional Fees

Unit: NTD Thousand

CPA matters Firm name	Accountants Name	Accountant audit period	Audit fees	Non-audit fees	Total	Remarks
Pricewaterhouse Coopers, Certified Public Accountants	Hsiao-Tzu, Chou	2024/01/01~ 2024/12/31	13,610	4,431 (Note)	18,041	-
	Yi-Chang, Liang					

Note: Other non-audit fees are mainly tax consulting fees.

4.2 If the accounting fees paid during the year when the accounting firm is replaced are less than the previous year, the amount, proportion and reasons for the reduction of audit fees should be disclosed: **The Company has not changed its accounting firm.**

4.3 If the audit fees are reduced by more than 10% compared with the previous year, the amount, proportion and reasons for the reduction in the audit fees shall be disclosed:
Audit fees for this year decreased by less than 10% compared with the previous year.

5. Changes in Accountant Information: **None**

6. The Company's chairman, general manager, or the manager responsible for financing or accounting affairs, who has worked for the accounting firm to which CPAs belong or the affiliated enterprises in the past year: **None.**

7. Directors, Supervisors, Managers, and Shareholders Whose Shareholding Ratio Exceeds 10% Share Transfer and Share Pledge Changes in Status:

7.1 Changes to the shares held by directors, supervisors, managers and majority shareholders:

Unit: Thousand shares

Position	Name	2024		As of March 31, 2025	
		Number of shareholding Number increased (decreased)	Number of pledged shares Number increased (decreased)	Number of shares held Number increased (decreased)	Number of pledged shares Number increased (decreased)
Director	Hsin Hung International Investment Co., Ltd.	0	0	0	0
Chairman and President	Corporate representative: T.C. Gou	0	0	0	0
Director and Vice President	Corporate representative: Chen-Phan Pu	0	0	0	0
Director	Corporate representative: T.C. Wang	0	0	0	0
Director	Fu Lin International Investment Co., Ltd.	0	0	0	0
Director and Group President	Corporate representative: James Lee	0	0	0	0
Director and Group President	Corporate representative: Eric Huang	0	0	0	0
Independent Director	Randy Lee	0	0	0	0
Independent Director	Chien-Chung Fu	0	0	0	0
Independent Director	Jing-Mi Tang	0	0	0	0
Independent Director	Chih-Yang Tseng	0	0	0	0
Group General Manager	Julius Chu	0	0	0	0
Vice President	Malcolm Lin	-5	0	0	0
Vice President	Y.Y. Wu	0	0	0	0
Vice President	Daniel Wu	0	0	0	0
Vice President	Spencer Yeh	0	0	0	0
Vice President	Luc Chu	0	0	0	0
Vice President	PK Chou	0	0	0	0
Vice President	Gordon Lin	0	0	0	0
Corporate Governance Officer	Kufn Lin	0	0	0	0

Note: Vice President Wen-Bin Hsu resigned on September 8, 2023.

7.2 The counterparties of equity transfers and equity pledges are related parties: No such situation.

8. Information about The Relationships among Top Ten Shareholders, Such as Related Parties, Spouses, or Relatives within The Second-Degree of Kinship:

March 31, 2025

Name	Self Shareholding		Spouse and Minor Children Holding Shares		Total Holding of Shares in The Names of Others		Name of A Related Party, Spouse or Second-Grade Relative, and Relationships Among Top Ten Shareholders		Remarks
	Shares (thousand shares)	Shareholding Percentage of Ownership	Shares	Percentage of Ownership	Shares	Percentage of Ownership	Name or Designation	Relationship	
Hsin Hung International Investment Co., Ltd. Representative: T.C. Gou	100,535	19.62%	0	0	0	0	Central Motion Picture Corporation	Chairperson the same individual	—
	6,009	1.17%	46	0.01%	0	0	Foxlink Image Technology Co., Ltd.	Chairperson of the company	—
Foxlink Image Technology Co., Ltd. Representative: T.C. Gou	49,503	9.66%	0	0	0	0	Hsin Hung International Investment Co., Ltd.	Chairperson the same individual	—
	6,009	1.17%	46	0.01%	0	0	Central Motion Picture Corporation	Chairperson of the company	—
Central Motion Picture Corporation Representative: T.C. Gou	32,584	6.36%	0	0	0	0	Hsin Hung International Investment Co., Ltd.	Chairperson the same individual	—
	6,009	1.17%	46	0.01%	0	0	Foxlink Image Technology Co., Ltd.	Chairperson of the company	—
T.C. Gou	6,009	1.17%	46	0.01%	0	0	Hsin Hung International Investment Co., Ltd. Central Motion Picture Corporation Foxlink Image Technology Co., Ltd.	Chairperson of the company	—
Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	4,510	0.88%	N/A						
FIRST COMMERCIAL BANK CO., LTD.	3,800	0.74%	N/A						
VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL	3,656	0.71%	N/A						

Name	Self Shareholding		Spouse and Minor Children Holding Shares		Total Holding of Shares in The Names of Others		Name of A Related Party, Spouse or Second-Grade Relative, and Relationships Among Top Ten Shareholders		Remarks
	Shares (thousand shares)	Shareholding Percentage of Ownership	Shares	Percentage of Ownership	Shares	Percentage of Ownership	Name or Designation	Relationship	
EQUITY INDEX FUNDS									
FU LIN INTERNATIONAL INVESTMENT CO., LTD.	3,211	0.63%	0	0	0	0	T.C. Gou	The Chairman is an immediate family member within the second degree of kinship.	—
MITSUBISHI UFJ MORGAN STANLEY SECURITIES CO., LTD.-EQUITY TRADING DIVISION (PROPRIETARY TRADING DESK) FOR TRI-PARTY SBL TRADING	2,325	0.45%	N/A						
Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II	2,299	0.45%	N/A						

9. The number of shares and comprehensive shareholding ratio held in any single reinvested enterprise by the Company, its directors and supervisors, managerial officers, and any companies controlled either directly or indirectly by the Company, and consolidated calculation of comprehensive shareholding ratio:

December 31, 2024 Unit: Thousand shares

Reinvested business	The Company's Investment		Directors, Supervisors, Managers And Direct Or Indirect Control Of Investment In The Business		Comprehensive Investment	
	Shares	Percentage of Shareholding	Shares	Percentage of Shareholding	Shares	Percentage of Shareholding
CU INTERNATIONAL LTD.	493,550	100.00%	0	0	493,550	100.00%
CULINK INTERNATIONAL LTD.	33,528	100.00%	0	0	33,528	100.00%
Foxlink International Investment Ltd.	489,750	100.00%	0	0	468,750	100.00%
Well Shin Technology Co., Ltd.	22,282	18.84%	40	0.03%	22,322	18.87%
Fu Uei International Investment Ltd.	425,000	100.00%	0	0	425,000	100.00%
Darts Technologies Corporation	65,216	97.00%	0	0	47,576	97.00%
DU Precision Industry Co., Ltd.	60,000	100.00%	0	0	60,000	100.00%
FOXLINK TECHNOLOGY LTD.	86,700	100.00%	0	0	86,700	100.00%
Suntain Co., Ltd.	23,529	100.00%	0	0	22,374	100.00%
FOXLINK ARIZONA INC.	23,770	100.00%	0	0	15,470	100.00%
SINOBEST BROTHERS LIMITED	20,704	85.19%	2,000	14.81%	22,704	100.00%
UBILINK.AI CO., LTD.	4,100	41%	1,000	10%	5,100	51%

III. Status of Fundraising

1. Capital and Shares

1.1 Sources of Equity

1.1.1 Source of Share Capital

March 31, 2025

Units: NTD thousand, thousand shares

Year Month	Issued Price (Ntd)	Approved Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Number of Shares	Amount	Source of Share Capital	Property Other Than Cash Contributed As Equity Capital	Others
1986.07	1,000	18	18,000	18	18,000	Initial capital	None	Note 1
1995.12	10	19,000	190,000	19,000	190,000	Cash capital increase of NTD 172,000 thousand	None	Note 2
1996.10	10	36,000	360,000	36,000	360,000	Cash capital increase of NTD 170,000 thousand	None	Note 3
1997.07	10	42,100	421,000	42,100	421,000	Capitalization of retained earnings of NTD 54,000 thousand; capitalization of employee bonuses of NTD 7,000 thousand	None	Note 4
1998.07	15	100,000	1,000,000	71,600	716,000	Cash capital increase of NTD 200,000 thousand, capitalization of retained earnings of NTD 84,200 thousand; capitalization of employee bonuses of NTD 10,800 thousand	None	Note 5
1999.08	10	100,000	1,000,000	81,800	818,000	Capitalization of retained earnings of NTD 90,216 thousand; capitalization of employee bonuses of NTD 11,784 thousand	None	Note 6
2000.01	109	100,000	1,000,000	100,000	1,000,000	Cash capital increase of NTD 182,000 thousand	None	Note 7

March 31, 2025

Units: NTD thousand, thousand shares

Year Month	Issued Price (Ntd)	Approved Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Number of Shares	Amount	Source of Share Capital	Property Other Than Cash Contributed As Equity Capital	Others
2000.08	10	160,000	1,600,000	117,000	1,170,000	Capitalization of retained earnings of NTD 150,000 thousand; capitalization of employee bonuses of NTD 20,000 thousand	None	Note 8
2001.07	10	225,000	2,250,000	143,500	1,435,000	Capitalization of retained earnings of NTD 234,000 thousand; capitalization of employee bonuses of NTD 31,000 thousand	None	Note 9
2002.02	10	225,000	2,250,000	152,720	1,527,203	Exchange of warrants for common shares, NTD 92,203 thousand	None	Note 10
2002.04	10	225,000	2,250,000	169,335	1,693,355	Exchange of warrants for common shares, NTD 166,152 thousand	None	Note 11
2002.07	10	305,000	3,050,000	200,521	2,005,207	Capitalization of retained earnings of NTD 254,003 thousand; capitalization of employee bonuses of NTD 57,000 thousand, and exchange of warrants for common shares, NTD 849 thousand	None	Note 12
2003.01	10	305,000	3,050,000	201,307	2,013,071	Exchange of warrants for common shares, NTD 7,864 thousand	None	Note 13
2003.07	10	305,000	3,050,000	228,238	2,282,378	Capitalization of retained earnings of NTD 201,307	None	Note 14

March 31, 2025

Units: NTD thousand, thousand shares

Year Month	Issued Price (Ntd)	Approved Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Number of Shares	Amount	Source of Share Capital	Property Other Than Cash Contributed As Equity Capital	Others
						thousand; capitalization of employee bonuses of NTD 68,000 thousand		
2004.07	10	400,000	4,000,000	258,762	2,587,616	Capitalization of retained earnings of NTD 228,238 thousand; capitalization of employee bonuses of NTD 77,000 thousand	None	Note 15
2005.07	10	400,000	4,000,000	292,638	2,926,377	Capitalization of retained earnings of NTD 258,761 thousand; capitalization of employee bonuses of NTD 80,000 thousand	None	Note 16
2005.10	10	400,000	4,000,000	296,005	2,960,045	Conversion of overseas convertible bonds to common shares, NTD 33,668 thousand	None	Note 17
2006.01	10	400,000	4,000,000	309,181	3,091,814	Conversion of overseas convertible bonds to common shares, NTD 78,436 thousand; transfer of shares, NTD 53,333 thousand	Darts Technologies stock, 25,600 thousand shares	Note 18
2006.04	10	400,000	4,000,000	321,520	3,215,201	Conversion of overseas convertible bonds to common shares, NTD 123,387 thousand	None	Note 19
2006.07	10	400,000	4,000,000	331,566	3,315,658	Conversion of overseas convertible bonds to common shares, NTD 100,457 thousand	None	Note 20
2006.09	10	400,000	4,000,000	373,221	3,732,207	Capitalization of	None	Note 21

March 31, 2025

Units: NTD thousand, thousand shares

Year Month	Issued Price (Ntd)	Approved Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Number of Shares	Amount	Source of Share Capital	Property Other Than Cash Contributed As Equity Capital	Others
						retained earnings of NTD 322,303 thousand; capitalization of employee bonuses of NTD 73,500 thousand; and conversion of overseas convertible bonds into ordinary shares, NTD 20,746 thousand		
2007.08	10	550,000	5,500,000	401,582	4,015,817	Capitalization of retained earnings of NTD 186,610 thousand; capitalization of employee bonuses of NTD 97,000 thousand	None	Note 22
2008.09	10	550,000	5,500,000	437,461	4,374,609	Capitalization of retained earnings of NTD 200,791 thousand; capitalization of employee bonuses of NTD 158,000 thousand	None	Note 23
2009.09	10	550,000	5,500,000	453,965	4,539,655	Capitalization of retained earnings of NTD 87,492 thousand; capitalization of employee bonuses of NTD 348,217 thousand	None	Note 24
2010.04	10	550,000	5,500,000	456,689	4,566,891	Executed subscription of employee stock option certificates, NTD 27,236 thousand	None	Note 25
2010.07	10	550,000	5,500,000	456,801	4,568,007	Executed subscription of employee stock	None	Note 26

March 31, 2025

Units: NTD thousand, thousand shares

Year Month	Issued Price (Ntd)	Approved Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Number of Shares	Amount	Source of Share Capital	Property Other Than Cash Contributed As Equity Capital	Others
						option certificates, NTD 1,116 thousand		
2010.09	10	550,000	5,500,000	463,509	4,635,093	Capitalization of retained earnings of NTD 45,680 thousand; capitalization of employee bonuses of NTD 99,413 thousand	None	Note 27
2011.01	10	550,000	5,500,000	464,381	4,643,807	Executed subscription of employee stock option certificates, NTD 8,713 thousand	None	Note 28
2011.04	10	550,000	5,500,000	465,556	4,655,557	Executed subscription of employee stock option certificates, NTD 11,751 thousand	None	Note 29
2011.07	10	550,000	5,500,000	466,752	4,667,523	Executed subscription of employee stock option certificates, NTD 11,966 thousand	None	Note 30
2011.08	10	550,000	5,500,000	474,313	4,743,125	Capitalization of retained earnings of NTD 46,577 thousand; capitalization of employee bonuses of NTD 198,589 thousand	None	Note 31
2011.10	10	550,000	5,500,000	476,447	4,764,469	Executed subscription of employee stock option certificates, NTD 21,343 thousand	None	Note 32
2012.01	10	550,000	5,500,000	476,762	4,767,622	Executed subscription of employee stock option certificates,	None	Note 33

March 31, 2025

Units: NTD thousand, thousand shares

Year Month	Issued Price (Ntd)	Approved Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Number of Shares	Amount	Source of Share Capital	Property Other Than Cash Contributed As Equity Capital	Others
						NTD 3,154 thousand		
2012.04	10	550,000	5,500,000	481,367	4,813,668	Executed subscription of employee stock option certificates, NTD 46,045 thousand	None	Note 34
2012.07	10	550,000	5,500,000	481,643	4,816,426	Executed subscription of employee stock option certificates, NTD 2,758 thousand	None	Note 35
2012.08	10	550,000	5,500,000	489,404	4,894,040	Capitalization of retained earnings of NTD 48,137 thousand; capitalization of employee bonuses of NTD 173,949 thousand	None	Note 36
2012.10	10	550,000	5,500,000	492,376	4,923,762	Executed subscription of employee stock option certificates, NTD 29,722 thousand	None	Note 37
2013.01	10	550,000	5,500,000	493,683	4,936,829	Executed subscription of employee stock option certificates, NTD 13,067 thousand	None	Note 38
2013.04	10	550,000	5,500,000	494,166	4,941,659	Executed subscription of employee stock option certificates, NTD 4,830 thousand	None	Note 39
2013.07	10	550,000	5,500,000	494,444	4,944,439	Executed subscription of employee stock option certificates, NTD 2,780 thousand	None	Note 40
2013.10	10	550,000	5,500,000	495,035	4,950,347	Executed subscription of employee stock	None	Note 41

March 31, 2025

Units: NTD thousand, thousand shares

Year Month	Issued Price (Ntd)	Approved Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Number of Shares	Amount	Source of Share Capital	Property Other Than Cash Contributed As Equity Capital	Others
						option certificates, NTD 5,908 thousand		
2014.01	10	550,000	5,500,000	502,010	5,020,095	Executed subscription of employee stock option certificates, NTD 69,748 thousand	None	Note 42
2014.04	10	550,000	5,500,000	505,556	5,055,557	Executed subscription of employee stock option certificates, NTD 35,462 thousand	None	Note 43
2014.07	10	550,000	5,500,000	506,624	5,066,237	Executed subscription of employee stock option certificates, NTD 10,680 thousand	None	Note 44
2014.10	10	550,000	5,500,000	509,209	5,092,087	Executed subscription of employee stock option certificates, NTD 25,850 thousand	None	Note 45
2015.01	10	550,000	5,500,000	512,327	5,123,269	Executed subscription of employee stock option certificates, NTD 31,182 thousand	None	Note 46

Note 1: Initial capital of NTD 18,000 thousand

Note 2: Cash capital increase of NTD 172,000 thousand

Note 3: October 21, 1996 (85) Taizaizheng (1) No. 62330 letter of approval

Note 4: July 7, 1997 (86) Taizaizheng (1) No. 53139 letter of approval

Note 5: July 10, 1998 (87) Taizaizheng (1) No. 58945 letter of approval

Note 6: August 4, 1999 (88) Taizaizheng (1) No. 72110 letter of approval

Note 7: December 13, 1999 (88) Taizaizheng (1) No. 103975 letter of approval

Note 8: June 27, 2000 (89) Taizaizheng (1) No. 55031 letter of approval

Note 9: June 26, 2001 (90) Taizaizheng (1) No. 140540 letter of approval

Note 10: January 29, 2002 Jingshoushangzi No. 09101035860 letter of approval

Note 11: April 10, 2002 Jingshoushangzi No. 09101122510 letter of approval

Note 12: June 18, 2002 Taizaizheng 1 No. 0910133030 letter of approval

Note 13: January 27, 2003 Jingshoushangzi No. 09201030380 letter of approval

Note 14: June 30, 2003 Taizaizheng 1 No. 0920128786 letter of approval
Note 15: June 23, 2004 Taizaizheng 1 No. 0930127828 letter of approval
Note 16: June 30, 2005 Taizaizheng 1 No. 0940126320 letter of approval
Note 17: October 13, 2005 Jingshoushangzi No. 09401203760 letter of approval
Note 18: December 26, 2005 Jinguangzheng 1 No. 0940155501 letter of approval
Note 19: April 14, 2006 Jingshoushangzi No. 09501067660 letter of approval
Note 20: July 20, 2006 Jingshoushangzi No. 09501150100 letter of approval
Note 21: July 5, 2006 Taizaizheng 1 No. 0950128616 letter of approval
Note 22: July 2, 2007 Jinguangzheng 1 No. 0960033542 letter of approval
Note 23: July 7, 2008 Jinguangzheng 1 No. 0970033755 letter of approval
Note 24: June 25, 2009 Jinguangzheng Fazi No. 0980031734 letter of approval
Note 25: April 12, 2010 Jingshoushangzi No. 09901069630 letter of approval
Note 26: July 15, 2010 Jingshoushangzi No. 099001158420 letter of approval
Note 27: June 29, 2010 Jinguangzheng Fazi No. 0990033598 letter of approval
Note 28: January 17, 2011 Jingshoushangzi No. 10001008210 letter of approval
Note 29: April 21, 2011 Jingshoushangzi No. 10001075290 letter of approval
Note 30: July 20, 2011 Jingshoushangzi No. 10001159720 letter of approval
Note 31: August 29, 2011 Jingshoushangzi No. 10001199230 letter of approval
Note 32: October 18, 2011 Jingshoushangzi No. 10001238620 letter of approval
Note 33: January 13, 2012 Jingshoushangzi No. 10101006390 letter of approval
Note 34: April 16, 2012 Jingshoushangzi No. 10101066520 letter of approval
Note 35: July 12, 2012 Jingshoushangzi No. 10101141200 letter of approval
Note 36: August 9, 2012 Jingshoushangzi No. 10101163460 letter of approval
Note 37: October 16, 2012 Jingshoushangzi No. 10101212660 letter of approval
Note 38: January 14, 2013 Jingshoushangzi No. 10201007940 letter of approval
Note 39: April 15, 2013 Jingshoushangzi No. 10201067800 letter of approval
Note 40: July 18, 2013 Jingshoushangzi No. 10201140890 letter of approval
Note 41: October 15, 2013 Jingshoushangzi No. 10201209790 letter of approval
Note 42: January 21, 2014 Jingshoushangzi No. 10301010950 letter of approval
Note 43: April 22, 2014 Jingshoushangzi No. 10301069490 letter of approval
Note 44: July 18, 2014 Jingshoushangzi No. 10301146670 letter of approval
Note 45: October 17, 2014 Jingshoushangzi No. 10301217070 letter of approval
Note 46: January 14, 2015 Jingshoushangzi No. 10401004720 letter of approval

1.1.2 Class of Issued Shares

March 31, 2025 Unit: Shares

Shares Type	Approved Share Capital			
	Issued and Outstanding Shares (Note)	Unissued Shares	Reserved for Issuance of Employee Stock Option Certificates	Total
Common stock	512,326,940	137,673,060	50,000,000	700,000,000

Note: Listed shares

1.1.3 Information concerning the collective reporting system: Not applicable

1.2 List of Major Shareholders

March 31, 2025 Unit: Shares

Name of major shareholders	Shares	Number of Shares Held	Percentage Of Shareholding
HSIN HUNG INTERNATIONAL INVESTMENT CO., LTD.		100,535,228	19.62%
FOXLINK IMAGE TECHNOLOGY CO., LTD.		49,503,000	9.66%
CENTRAL MOTION PICTURE CORPORATION		32,584,000	6.36%
T.C GOU		6,009,184	1.17%
Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds		4,509,595	0.88%
FIRST COMMERCIAL BANK CO., LTD.		3,800,000	0.74%
VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS		3,655,673	0.71%
FU LIN INTERNATIONAL INVESTMENT CO., LTD.		3,210,621	0.63%
MITSUBISHI UFJ MORGAN STANLEY SECURITIES CO., LTD.-EQUITY TRADING DIVISION (PROPRIETARY TRADING DESK) FOR TRI-PARTY SBL TRADING		2,325,000	0.45%
Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II		2,299,000	0.45%

1.3 Company dividend policy and implementation status:

(1) Dividend Policy:

The Company operates in information and communication-related industries, and is in the growth stage of the Company's life cycle. Therefore, in order to match the overall environment and the characteristics of industry growth, and to achieve the Company's goal of sustainable operations and stable operating performance, the Company's dividend policy directs that not more than 90% of the company's distributable earnings will be distributed to shareholders in the form of dividends. Furthermore, and in line with the future capital expenditure budget and capital demand situation, the cash dividend portion of the Company's dividends will not be less than 20%.

(2) Proposed cash dividend distribution in this instance

The Company allocated NTD 1,024,653,880 from 2023 earnings as cash dividends, and distributed NTD 2 per share. This proposal was approved by the Board of Directors and authorized the Chairman to set separate matters such as the ex-dividend record date, distribution date, and other related matters.

1.4 The influence of stock dividends planned to be paid in the Shareholders Meeting of this year on the operation performance and earnings per share of the Company:

Unit: NTD Thousand

Item			Year	2024
Paid-in capital amount at the beginning of the period				5,123,269
Cash and stock dividends to be distributed in the current year (Note)	Cash dividend per share		2.5 per share (NTD)	
	Capitalization of retained earnings to be distributed per share		None	
	Capitalization of capital reserves to be distributed per share		None	
Change in business performance	Operating profit		The Company did not prepare 2024 financial forecasts, so this is not applicable	
	Increase (decrease) ratio of operating profit over the same period last year			
	Net profit after tax			
	Increase (decrease) ratio of net profit after tax compared with the same period last year			
	Earnings per share (NTD) (Before retrospective adjustment)			
	Earnings per share increase (decrease) ratio over the same period last year			
	Annual average return on investment (the reciprocal of the annual average P/E ratio)			
Proposed earnings per share and P/E ratio	Any capitalization of retained earnings is to be fully allocated to cash dividends	Projected earnings per share (NTD)		
		Proposed annual average return on investment		
	If capitalization of capital reserves has not been carried out	Projected earnings per share (NTD)		
		Proposed annual average return on investment		
	If the capitalization of retained earnings has not been handled and the capitalization of retained earnings has been paid by cash dividend	Projected earnings per share (NTD)		
		Proposed annual average return on investment		

Note: the 2024 profit distribution proposal, approved by the Board of Directors.

1.5 Remuneration of Employees and Directors

(1) The percentage or scope of remuneration for employees, directors, and supervisors as set out in the Articles of Incorporation:

If the Company makes a profit during the year, it should allocate no less than 6% for employee remuneration and no more than 3% for directors' and supervisors' remuneration. However, when the Company has accumulated losses, the reserves for covering the losses shall be retained in advance.

Employee remuneration as per the preceding paragraph can be paid in stock or cash, and can be directed to employees of the Company and employees of affiliated companies. The remuneration of directors and supervisors can only be paid in cash.

(2) The amount of remuneration for employees, directors and supervisors estimated and presented in the current period shall be calculated based on the number of shares distributed to employees as remuneration, or actual amount paid to employees if different from the estimated amount:

If the Company makes a profit during the year (referring to profit before tax minus the profit before the distribution of employee remuneration and director and supervisor remuneration), it should allocate no less than 6% for employee remuneration and no more than 3% for directors' and supervisors' remuneration. However, when the Company has accumulated losses, the reserves for covering the losses shall be retained in advance.

The calculation basis of the number of shares to be distributed for employee stock dividends is based on the closing price on the day before the Board of Directors' resolution. However, if there is a discrepancy between the calculation basis of the number of shares and the actual distribution amount of the employee remuneration for stock distribution and the estimated amount, it will be regarded as a change in accounting estimates and listed as the actual distribution year's profit and loss.

(3) Distribution of remuneration adopted by the Board of Directors:

- A. Amount of the remuneration paid to employees, directors and supervisors in cash or stock. If there is a discrepancy with the annual estimated amount of recognized expenses, the number of discrepancies, reasons and handling circumstances should be disclosed:

On March 07, 2025, the Board of Directors approved 2024 employee remuneration and directors' remuneration to be NTD 208,093,000 and NTD 18,000,000, respectively. The recognized amounts of employee remuneration and director remuneration in the 2024 financial statements are NTD 208,093,000 and NTD 18,000,000, respectively. There is no difference between the remuneration of employees and directors approved by the Board of Directors and recognized in the financial statements.

- B. The amount of employee bonuses distributed by stocks and its proportion to the total net profit and total employee bonuses in the parent company only financial report for the current period: No employee remuneration was distributed by stocks in this instance.

(4) The actual payment of remuneration to the employees and the directors and supervisors in the previous year (including the number of distributed shares, amounts, and stock price). If there is a difference with the recognized amount of remuneration for employees and directors and supervisors, the number of differences, the reasons and the handling circumstances should be stated.

The remuneration of employees and directors recognized for 2023 were as follows: the remuneration of employees was NTD 231,145,000; the remuneration of directors was NTD 8,000,000.

Furthermore, the actual amount of employee remuneration paid for the year was NTD 231,145,000; director's remuneration was NTD 8,000,000. There was no difference between the actual distribution amounts and the recognized amounts.

1.6 Repurchase of shares by the Company: None.

2. Handling of Corporate Bonds

1.1 Information on Corporate Bonds

Corporate Bond Type		First Domestic Issue of Guaranteed General Corporate Bonds In 2020
Issuance (handling) date		July 29, 2020
Par value		NTD 1 million
Issuing price		Fully issued at par value
Total		NTD 3.6 billion
Interest rate		Fixed annual interest rate of 0.65%
Term		5 year maturity Maturity date: July 29, 2025
Guarantee agency		CTBC Bank, Taiwan Cooperative Bank, Hua Nan Bank, Agricultural Bank of Taiwan, Mega International Commercial Bank
Trustee		Bank Sinopac Company Limited
Underwriting agency		CTBC Bank Co., Ltd.
Certifying attorney		Attorney Yang Wen-Yuan, Baker McKenzie
Certified public accountant		Accountant Lin Se-Kai, PricewaterhouseCoopers
Method of repayment		One-time principal repayment
Outstanding principal		NTD 3.6 billion
Redemption or prepayment terms		None
Restrictive covenants		None
Credit rating agency name, rating date, company debt rating results		None
Other rights attached	Amounts of ordinary shares, overseas depositary receipts, or other securities that have been converted (exchanged or subscribed) as of the publication date of the annual report	Not applicable
	Issuance and conversion method (exchanged or subscribed)	Not applicable
Issuance and conversion, exchange or subscription methods, issuance conditions, possible dilution of equity, and impact on existing shareholders' equity		None
Name of the depository institution of the exchange target		Not applicable

1.2 Information on conversion of corporate bonds: None.

1.3 Information on corporate bond exchange: None.

1.4 General declaration and issuance of corporate bonds: None.

1.5 Information on corporate bonds with stock options: None.

3. Disposal of Preferred Shares: None.

4. Circumstances of Handling Overseas Depositary Receipts: None.

5. Handling of Employee Stock Options:

- A. In respect to the Company's unexpired employee stock options, their handling status and impact on shareholders' rights and interests up to the date of publication of the annual report should be disclosed: The Company currently has no outstanding employee stock options.
- B. The names, acquisitions, and subscription status of managers obtaining employee stock option certificates and the top ten employees who can subscribe for stock option certificates accumulated through the printing date of the annual report: **None**.
- C. Handling of restricted employee shares: **Up to now, no restricted employee shares have been issued.**
- D. The names, acquisitions, and subscription status of managers obtaining restricted employee shares and the top ten employees who can subscribe for stock option certificates accumulated through the printing date of the annual report: **None**.

6. M&A or Transfer of Shares of Other Companies To Issue New Shares: None.

7. Implementation Status of Fund Utilization Plan: None.

IV. Overview of Operations

1. Business Content

1.1 Business Scope

1.1.1 The Company's Principal Business Activities

The Company's business scope mainly covers the manufacturing, sales, and service of various connectors, cable products, batteries, and power products in the information industry, communications industry, automation equipment industry, precision machinery industry, and consumer electronics industry.

The product range currently produced by the Company encompasses:

- (1) CA02010 Manufacture of Metal Structure and Architectural Components
- (2) CB01010 Mechanical and Equipment Manufacturing
- (3) CB01030 Pollution Controlling Equipment Manufacturing
- (4) CB01990 Other Machinery Manufacturing
- (5) CC01020 Electric Wires and Cables Manufacturing
- (6) CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing
- (7) CC01040 Lighting Equipment Manufacturing
- (8) CC01060 Wired Communication Mechanical Equipment Manufacturing
- (9) CC01070 Wireless Communication Mechanical Equipment Manufacturing
- (10) CC01080 Electronics Components Manufacturing
- (11) CC01090 Manufacture of Batteries and Accumulators
- (12) CC01101 Restrained Telecom Radio Frequency Equipment and Materials Manufacturing
- (13) CC01110 Computer and Peripheral Equipment Manufacturing
- (14) CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing
- (15) CD01030 Motor Vehicles and Parts Manufacturing
- (16) CD01040 Motorcycles and Parts Manufacturing
- (17) CD01050 Bicycles and Parts Manufacturing
- (18) CD01990 Other Transport Equipment and Parts Manufacturing
- (19) CE01010 General Instrument Manufacturing
- (20) CE01030 Optical Instruments Manufacturing
- (21) CE01990 Other Optics and Precision Instrument Manufacturing
- (22) CI01010 Rope, Cable and Net Manufacturing
- (23) CQ01010 Mold and Die Manufacturing
- (24) E601020 Electric Appliance Installation
- (25) E603090 Lighting Equipment Construction
- (26) E701010 Telecommunications Engineering
- (27) E801010 Indoor Decoration
- (28) F107990 Wholesale of Other Chemical Products
- (29) F111090 Wholesale of Building Materials
- (30) F113050 Wholesale of Computers and Clerical Machinery Equipment
- (31) F118010 Wholesale of Computer Software
- (32) F207990 Retail Sale of Other Chemical Products
- (33) F211010 Retail Sale of Building Materials
- (34) F213030 Retail Sale of Computers and Clerical Machinery Equipment
- (35) F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories
- (36) F214040 Retail Sale of Bicycle and Component Parts Thereof
- (37) F214990 Retail Sale of Other Traffic Means of Transport and Component Parts Thereof

- (38) F218010 Retail Sale of Computer Software
- (39) F401021 Restrained Telecom Radio Frequency Equipment and Materials Import
- (40) G801010 Warehousing and Storage
- (41) I102010 Investment Consulting
- (42) I301010 Software Design Services
- (43) J101050 Sanitary and Pollution Controlling Services
- (44) J101060 Wastewater (Sewage) Treatment
- (45) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

1.1.2 Distribution of Business Volume

Unit: NTD Thousand

Product item	Business volume	Ratio
3C components	27,878,363	28.33%
System and peripheral products	39,674,195	40.32%
Retail sale of 3C products	11,555,871	11.74%
Energy service management	19,289,032	19.60%
Total	98,397,461	100.00%

Note: The above business volumes constitute operating revenues from the consolidated financial statements

1.1.3 Current goods (services) of the Company

The Company's main products are 3C components, system products, 3C product retail channels, and green energy related engineering services. The main products are as follows:

- A. Cable connectors:
Mainly used for signal and power transmission of various 3C products. The main products include USB connection cables, DC power cables and transmission cables used in mobile phones, notebook computers, earphones and monitors.
- B. Communication connectors:
Communication connectors refer to various types of connectors that do not include cables. The products are mainly used in consumer electronics such as mobile phones, notebook computers, network peripherals, earphones, and game consoles.
- C. Power management modules:
Mainly used to control the uninterruptible power systems of cable TV networks; and the power supplies and converters of various 3C products.
- D. System products:
Including smart pens, headsets, joysticks for game consoles and electric bicycles.
- E. Retail channels: There are retail channels for 3C electronic products.
- F. Energy service management
The main business is engineering, technical services, and electricity sales.
 - The engineering business includes engineering services, construction of computer rooms, and construction of solar, wind and hydro power plants.
 - Technical services include energy-saving services, operation of computer rooms and power plants, and design and development of solar energy, wind power and hydraulic farms.
 - Electricity sales refer to the electricity revenue generated by green energy generation.

1.1.4 New products planned for development

- A. Panoramic video conference camera
- B. High End Qualcomm Wireless ANC Headset
- C. Wireless Gaming Headset
- D. Eye-tracking webcam
- E. Development of AR glasses technology
- F. 4DView stereoscopic image recording and modeling
- G. Development of AI technology for game console joystick object colors
- H. Physical movement detection for remote fitness sessions
- I. Low pollution and carbon reduction production technology
- J. Electric scooter battery modules
- K. Electric bicycle battery modules
- L. Charging pile product development
- M. Introduction of automated guided vehicles (AGVs)
- N. Black nickel plating technology
- O. N.O. PCIE 6.0 connector and high-speed wiring harness

1.2 Industry Overview

1.2.1 Current status and development of the industry

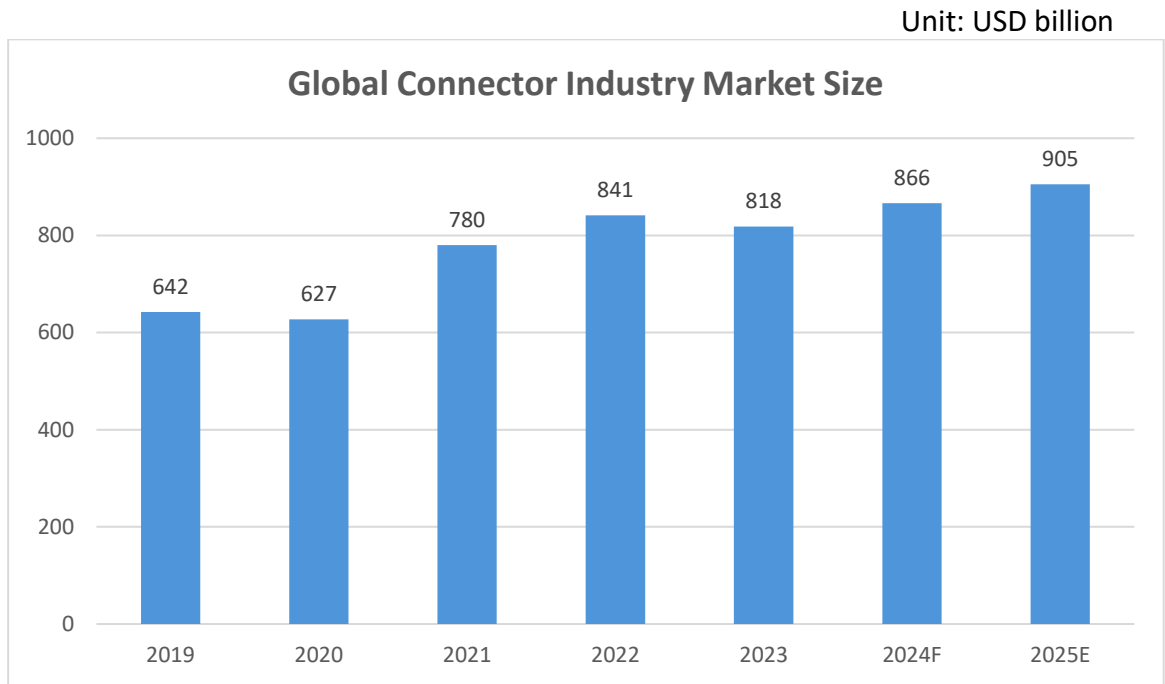
The Company is mainly engaged in the manufacturing of various connectors and cables for the information, communication and consumer electronics industries, the manufacturing of 3C components such as power management modules for mobile phones and NB-use, as well as system products such as joysticks for game consoles, smart pens and Bluetooth headsets sales and service. Due to the wide variety of products, the following is an analysis of industries such as connectors, power management modules, game console joysticks, earphones, 3C product retail channels, and new energy.

(1) Connector

Connectors are mainly used for the connection between components and are important bridges between connecting circuits and signals. Their quality affects the reliability of signal transmission, which in turn affects the quality of the entire electronic machine's operation. Therefore, to maintain the normal and stable functions of electronic products, the quality of the connector is very important. General connector products will require characteristics such as low contact impedance, high insertion and removal force resistance, high insertion and removal times, environmental resistance and high frequency stability, and so on. Fine pitch and SMT products are especially indispensable for connectors used in portable electronic products.

Connectors have a wide range of applications, and have been applied to personal computers and their peripheral products, communication products, instrumentation equipment, military, aerospace, medical equipment, automotive transportation, consumer electronics and other products. In other words, almost all products in the electrical field need to use connector products.

Given continuous economic growth and the introduction of new electronic products, statistics from Bishop & Associates indicate that the global connector industry saw a 2.7% decline in production value in 2023 compared to 2022, reaching USD 81.8 billion due to a slowdown in global economic growth. As the industry rebounds in 2024, the production value is expected to reach USD 86.6 billion, representing a 5.8% increase, with a forecasted value of USD 90.5 billion in 2025.



Source of data: Bishop & Associate

(2) Power management module

The power management module is an indispensable key component for all power electronic products. Its function is to convert the low-stability high-voltage AC power provided by the power company into the high-stability low-voltage DC power required by electronic products. It covers a wide range of industries and diversified products, with applications including communication products, computer peripherals, consumer electronics, and so on. In terms of power management modules, products mainly include power supplies for consumer electronic products such as mobile phones, tablets, bluetooth earphones and UPS for servers. In recent years, digital home products have become proliferated substantially, including TVs, PCs, mobile phones, handheld devices, printers, audio-visual equipment, application devices, digital content, broadband Internet access, home networks and more. Market demand for small, lightweight, and low-cost products will continue to increase, and especially portable communication products. Due to the advantages of smaller, thinner and portable electronic products, they promote market growth and form a virtuous circle. The communications market is thus expected to become the market with the greatest potential for power management modules.

(3) Smart Pen

As an accessory to tablet PCs, changes in the specifications of tablet PCs will directly affect the development trend of smart pens as accessories. Tablets have gradually evolved into a polarized product segment of high-end and affordable. High-end tablets usually have more advanced hardware specifications, higher performance and more functions to meet the needs of professional users. On the contrary, affordable tablets provide basic functions and performance and is more suitable for daily use. The same applies to the development of Smart Pen.

In 2023, under the influence of the global macro economy and industry development cycle, the tablet market entered a period of adjustment. As the mainstream brands have cleared their inventories, the promotion of global technology development trends such as artificial intelligence, and manufacturers' new product launch plans, the tablet market in 2024. The market is recovering steadily to return to the growth trend, which will drive the growth of smart pens.

(4) Game console

The game industry can be divided into several segments, including the most classic console games, Handhelds, the most popular Mobile games, as well as Cloud games, metaverse, etc., 2020 The global outbreak of COVID-19 has forced people to avoid outdoor activities and contact. New lifestyles such as working from home and distance learning have accelerated the digital transformation and led to the rise of the "stay-at-home economy." The game industry is particularly in this trend. From 2019 to 2022, the global video game market has grown significantly. After 2022, as most countries gradually eased their lockdowns, the "stay-at-home economy" bonus came to an end. In addition, in the face of the global economic downturn and inflationary pressures, the global game industry It has ceased to grow, but with the continuous advancement of the digital trend and the innovation and development of the game industry itself, it still has huge potential.

(5) Headphones

With the continuous advancement of technology, headphone products are becoming more and more intelligent and multi-functional. The continuous application of new technologies such as true wireless earphones, smart noise reduction technology, and touch control has brought more developments to the earphone industry. Consumers' demands for high-quality sound quality and convenient functions are also increasing, which promotes the innovation and upgrading of the headphone industry. In recent years, with the popularity of online entertainment, digital media, and remote work, earphones have become an indispensable accessory in people's daily lives. The global earphone industry is in a stage of rapid development. Due to the constantly changing demand, the headphone market will continue to grow.

(6) 3C retail channels

In recent years, iPhone and Android series mobile phones have begun to fully support high-power charging, and the wireless fast charging function has become increasingly popular. In addition, tier-one mobile device brands no longer ship with chargers in response to environmental protection requirements. This has led to increased demand for high-power charging related accessories shipment volume. In addition, the USB IF Association has launched a new generation of PD3.1, which pushes the original maximum power of 100W to 240W and provides more diverse charging applications for products. Notebooks equipped with USB C can also share high wattage with mobile phones. Therefore, the charging products launched by 3C retail channels need to have diversified output methods, fast speed, and high power.

(7) New energy

In response to global environmental degradation, the world is now entering a critical phase of the transition to clean energy. To achieve Taiwan's goal of having renewable energy account for 20% of total power generation by 2025 and to drive the development of emerging green energy industries, the government has launched the "Green Energy Technology Industry Innovation Program" under the "5+2 Industrial Innovation Plan." Centered on domestic green demand, the program seeks to attract large-scale investments from both domestic and international sources. Alongside major policies such as the 5+2 Industrial Innovation Plan, the Forward-looking Infrastructure Development Program, the Digital Nation and Innovative Economic Development Program, and the Action Plan for Welcoming Overseas Taiwanese Businesses to Return and Invest in Taiwan, this initiative is expected to inject new momentum into Taiwan's economic growth and accelerate the development of related industries.

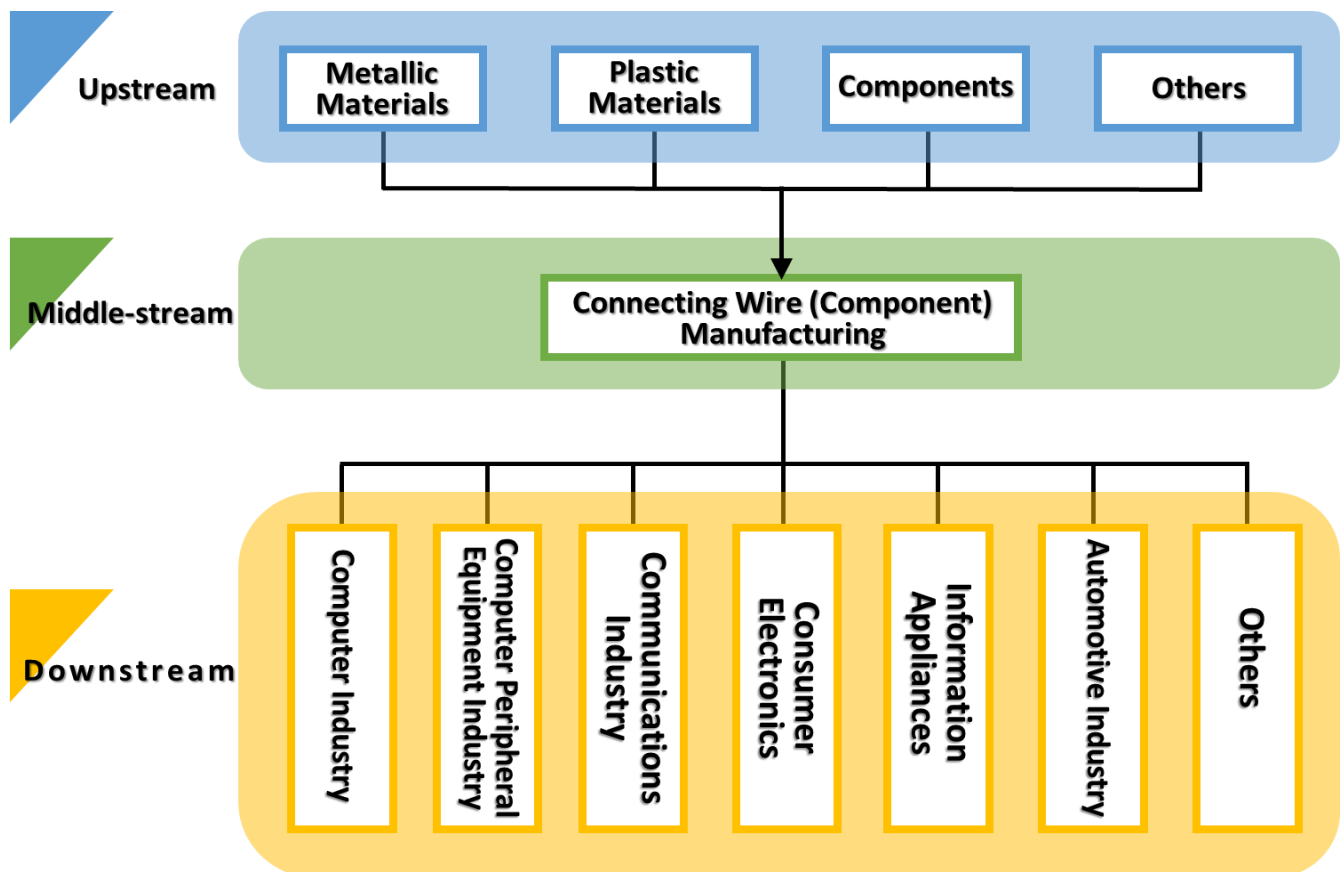
In view of the fact that the world is in a critical era of energy transformation, green energy will be a new engine driving economic development in the future, in order to promote China's energy independence, emerging green energy industry, and gradually achieve the goal of non-nuclear home, the Ministry of Economic Affairs has passed the "green energy technology industry innovation plan" on October 27, 2016, one of the "5+2" innovative industries, based on domestic green demand. The introduction of domestic and foreign large-scale investment, increase quality employment and drive China's green energy technology and industry jump, with "green energy

promotion", "industrial development" and "scientific and technological innovation" as the three major visions, through the comprehensive promotion of energy-saving, energy creation, energy storage and smart system integration and electricity industry reform and other policy-oriented measures, with a view to early solar photovoltaic target volume of 8.7GW by 2020, To install smart meters in 3 million low-voltage households by 2024, and to meet the target of 20% renewable energy generation by 2025, the long-term target of promoting the total amount of renewable energy is set at more than 27GW(27 million kW) by 2025. Including solar photovoltaic cumulative capacity of 20GW(expected annual power generation of 25 billion KWH), land wind 1.2GW(expected annual power generation of 2.76 billion KWH), offshore wind 5.5GW(expected annual power generation of 19.8 billion KWH), hydropower 2.15GW(expected annual power generation of 6.6 billion KWH) and biogas, the implementation of energy transformation, To gradually reduce the proportion of nuclear power generation, and achieve the vision of non-nuclear homes by 2025.

1.2.2 Relationships with upstream, middle-stream, and downstream industries:

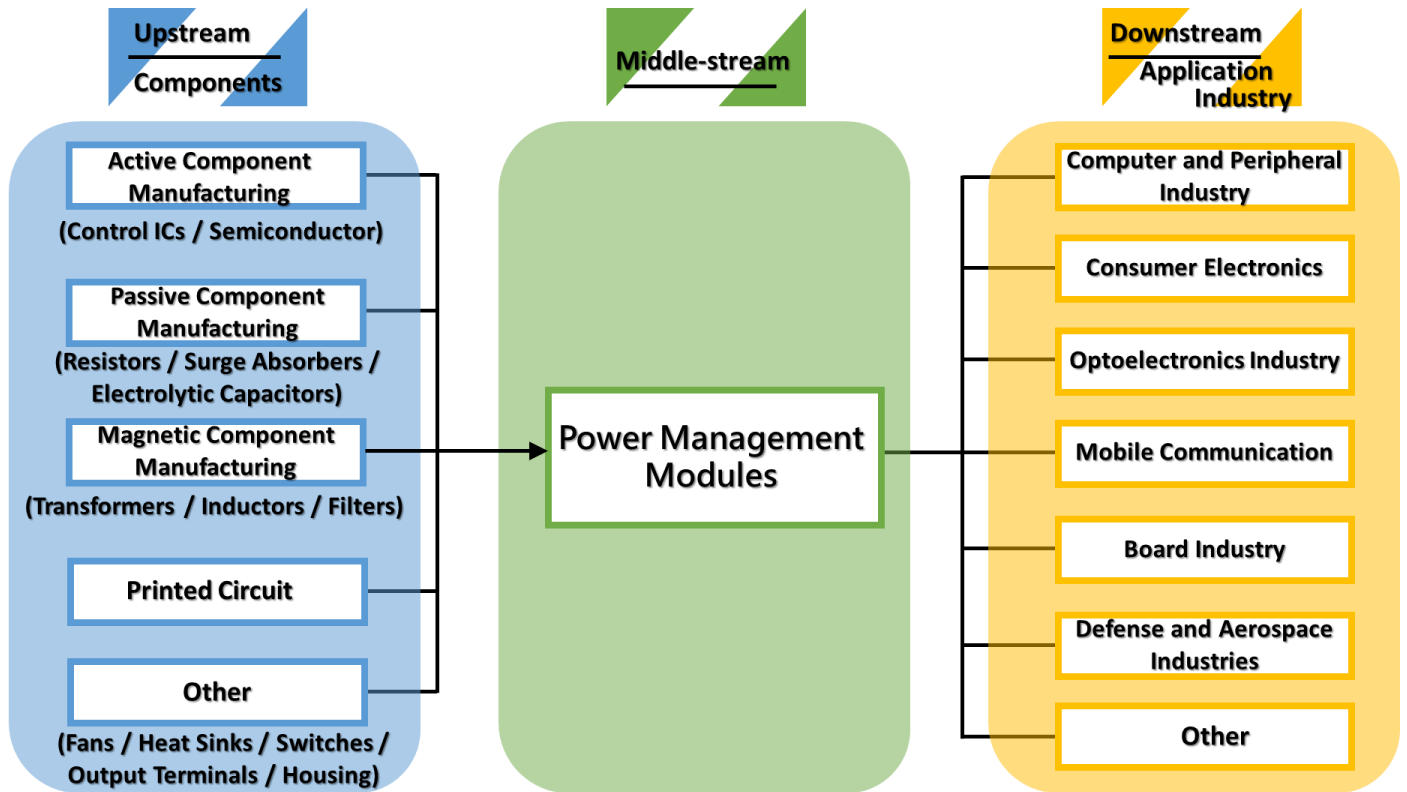
(1) Connectors

In the connector industry, the upstream materials are mainly plastic materials, copper alloy plates and electroplating materials. The industries covered include copper manufacturing, plasticization, and so on. As the domestic related manufacturer system is quite complete, there is no scarcity in its sources. Furthermore, it has wide application in downstream industries, mainly in computers and peripherals, network communication products, consumer electronics and other electrical appliances that require power and telecommunications. The industry's upstream, midstream, and downstream relevance are as follows:



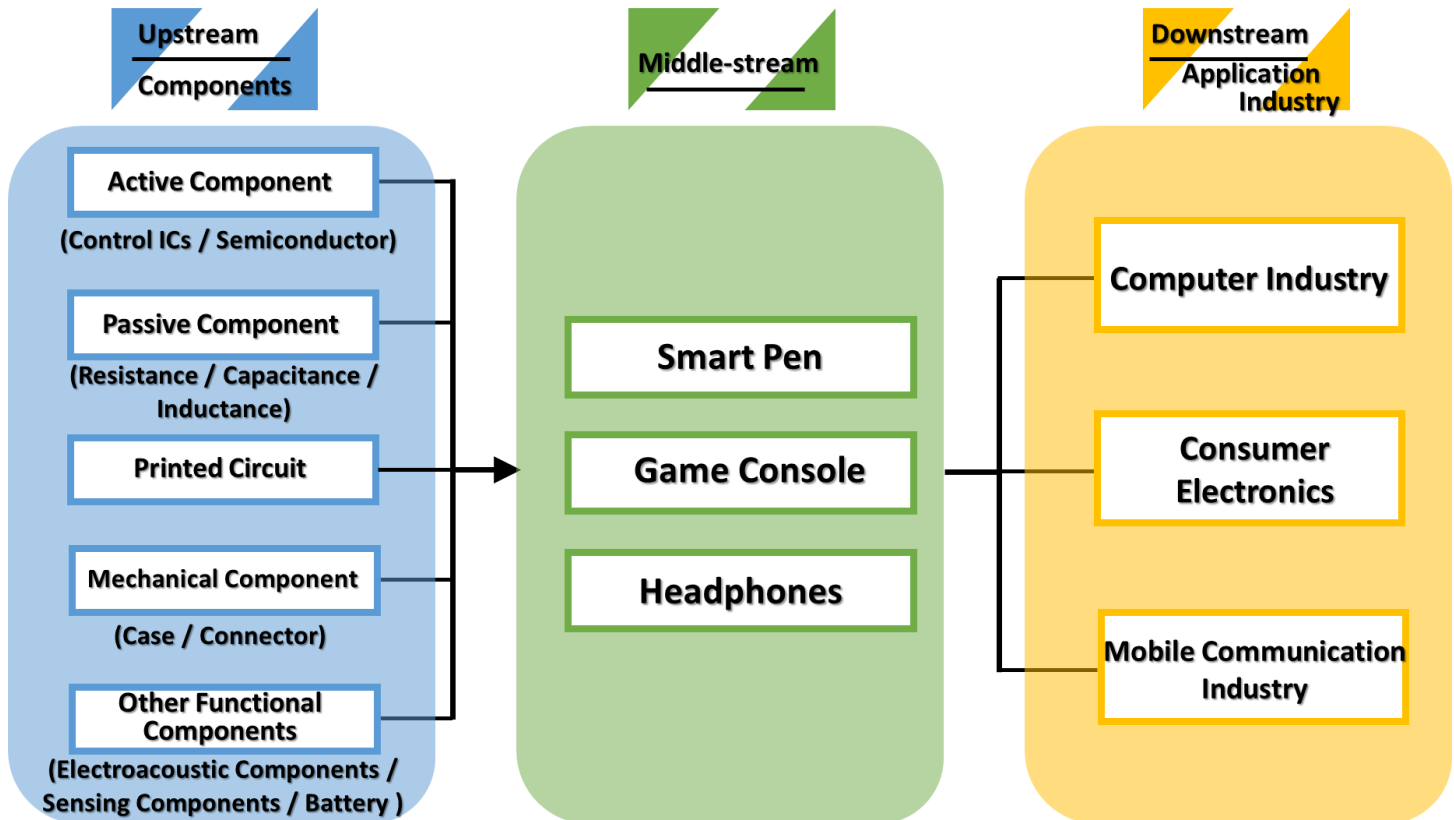
(2) Power management module

The power management module sector falls within the electronics industry, and its industrial structure is mainly based on upstream electronic components. This includes active components, passive components, magnetic components and printed circuit boards, and so on. Downstream application fields cover various electronic product application industries. The industry's upstream, midstream, and downstream relevance are as follows:

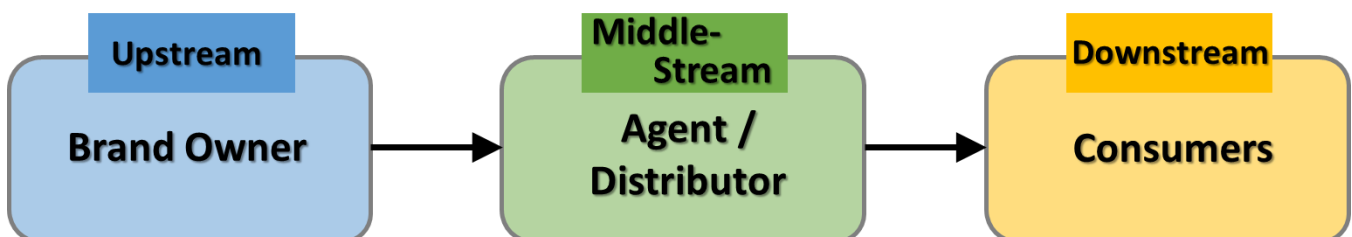


(3) Smart pen/game controller/headset

As the accessories for computers, game consoles and mobile communication consoles, the industrial structure of smart pens/game controllers/headphones involves the following key links, including upstream active components, passive components, PCB, mechanical components and functional components, etc. Assembly and manufacturing, while the downstream applications cover brands and retailers in the computer industry, consumer electronics industry, and mobile communication industry. The up-stream, mid-stream and down-stream are as follows:



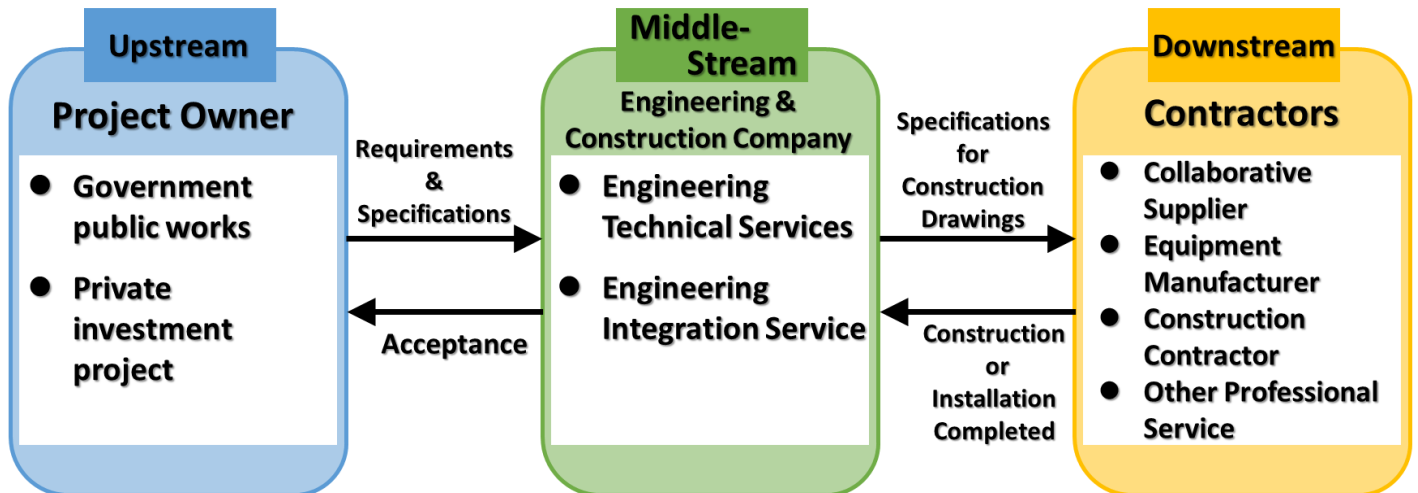
(4) Distribution channel



(5) New energy

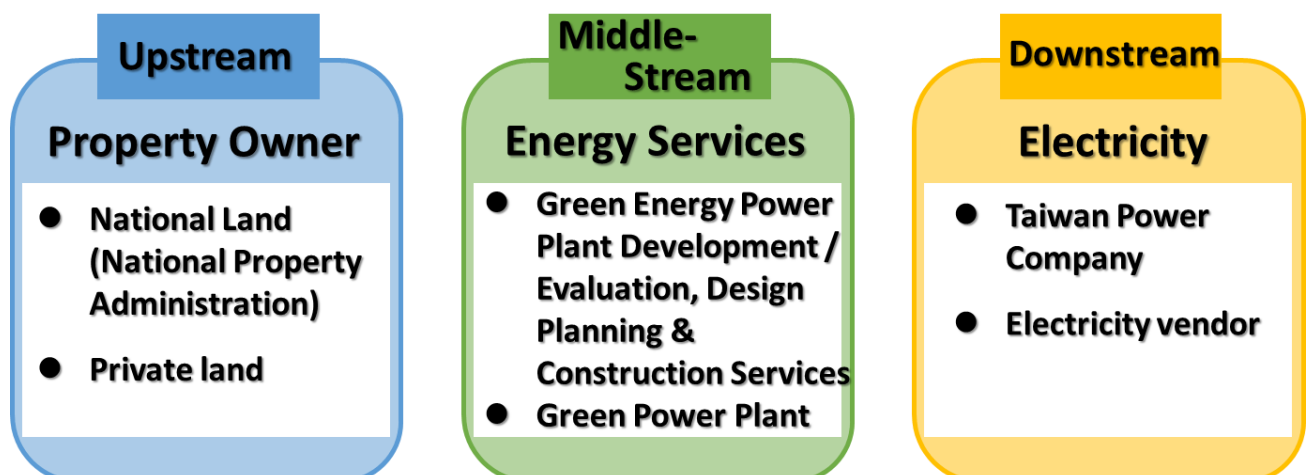
- **Engineering business**

Shinfox mainly provides services such as feasibility analysis, planning, design, procurement services, equipment supply, construction and commissioning of customers' projects, refer to as the midstream of the industry. The upstream industry refers to the owners with construction needs, and the turnkey companies are located in the middle reaches of the industry. The downstream industry refers to the third parties. The correlation between the upstream, midstream and downstream industries is as follows:



- **Solar energy and wind power plant investment and energy service industry**

Shinfox Energy has been entrusted by the Client to carry out feasibility study, survey, design, procurement, construction, and trial operation of energy projects. The general contracting enterprise is fully responsible for the quality, safety, construction duration, and cost of contracted projects. The property owner and the investor sell the electricity generated by renewable energy to Taiwan Power Company or the electricity retailer in accordance with the electricity sales contract. The up-stream, mid-stream and down-stream are as follows:



1.2.3 Product trends

As our company's various products are primarily used in mobile communications, consumer electronics, lithium battery packs, and peripheral industries, with the trend of electronic products moving towards portability and intelligence, it necessitates that products such as connectors, power management modules, smart pens, game controllers, and headphones, all adapt and undergo adjustments in line with the prevailing market product development trends.

A. Connectors

As electronic devices become lighter and thinner, connectors need to be more and more miniaturized and high-density in order to improve the integration and performance of the device. In addition, with the continuous improvement of data transmission speed and the popularization of multimedia applications, connectors need to support higher-speed data transmission and higher bandwidth requirements. Therefore, connector products will tend to support high-speed transmission standards such as USB 4.0, Thunderbolt, etc., to meet the needs of users for high-definition video, audio and data transmission.

B. Power management module

High efficiency and energy saving is an important trend in the development of power management module products. With the continuous advancement of the third generation semiconductor technology, the new generation of semiconductor components will have higher performance and lower power consumption, thereby further improving the power management module performance and efficiency. The application of these technologies will promote the power supply products to move towards a more efficient, intelligent and sustainable development direction.

C. The product development trends of smart pens, headsets and game controllers are as follows:

- Enhance interactivity: These products will increasingly focus on user interaction, and provide a richer and more intuitive user experience through smarter design and functions. For example, smart pens may have more sensing functions, earphones may support touch operation, and game controllers may adopt more accurate motion sensing technology.
- Enhancement of intelligent functions: Smart pens, earphones and game controllers will be smarter and equipped with more smart functions, such as voice assistant, smart noise reduction, smart gesture recognition, etc., to improve user experience and convenience.
- Compatibility improvement: These products will focus more on compatibility with different devices and platforms. For example, smart pens may support multiple operating systems, headsets may be compatible with multiple devices, and game controllers may support multiple gaming platforms.

D. 3C retail channels

- Integrity of Brand Product Line: As the development of 3C products becomes more and more mature and the technology advances with each passing day, it is necessary to develop more diversified product lines, and the completeness of the product can increase the customer's recognition of the brand.
- Social media management: In recent years, online marketing has played a very important role in the retail industry. The establishment of a brand community and the maintenance of positive interactions with fans are of great help to the management of the brand image.

E. New energy engineering business

Due to the increasingly complex engineering needs, the Company no longer participates in bidding in a single industry type of engineering contracting cases to reduce risks and increase contracting opportunities. In the future, the electromechanical industry market will use engineering consulting companies to provide all-round, comprehensive and professional engineering services in a turn-key manner, combining with relevant industries such as construction, civil engineering, and

machinery.

In addition, in recent years, the government has actively planned to expand the investment in comprehensive infrastructure. As a professional electromechanical turnkey engineering company, Shinfox has development niche and advantages for the government to expand the public construction and real system.

F. New energy power plant investment and energy service industry

In order to create a good living environment in Taiwan, the Ministry of Economic Affairs promotes green energy domestically, giving priority to renewable energy with mature technology and low power generation cost, and investing in relevant R&D for more forward-looking but not yet commercialized technologies, with rolling review. In terms of renewable energy promotion goals and its percentage, Taiwan currently focuses on wind power (including onshore and offshore wind power), solar photovoltaic, biomass power, and geothermal power.

According to the government's plan, the solar power installation capacity will reach 20GW by 2025, and the roof-type and ground-type solar power will account for 3GW and 17GW, respectively. As of the end of December 2024, the installed solar power capacity was 14.281145GW.

Wind power plays a crucial role in the development of renewable energy in Taiwan. Since 2000, Taiwan has actively promoted the development and application of wind energy through resource exploration, technical guidance, research and surveys, demonstration subsidies, and public outreach. Both Taipower and private sector companies have successively participated in the development of onshore and offshore wind farms. As of the end of December 2024, the installed wind power capacity was 3.89GW.

Shinfox Energy Co., Ltd. and its subsidiaries have installed solar PV capacity of 130 MW, land-based wind power capacity of 29 MW, and offshore wind power capacity of 300 MW. Shinfox Energy Co., Ltd continues to develop and invest in large-scale solar photovoltaic and wind power plants, and plans to establish a SPV (Special Purpose Vehicle) project holding site to improve operation and capital efficiency, and plans to dispose of the SPV's equity, recover funds ahead of schedule and realize profits, and use the funds to expand solar power plants or develop other new businesses to achieve the goal of continuous growth.

1.2.4 Market competition

A. Connectors

The Company's connector products are mainly used in various mobile 3C products and automotive electronic products. There is a lot of competition in the connector market, including large multinational companies and regional small companies. Strive for market share by providing better quality products, more competitive prices and better services.

B. Power management module

The company's power management module products are mainly used in various mobile 3C products and network routers, power supplies and converters for TV set-top boxes. Product applications include mobile phones, e-books, digital cameras, routers and set-top boxes, and main competitors include Delta, Chicony, Phihong, Flextronics, Lite-On, and AcBel.

C. 3C peripheral accessories

The market for peripherals for 3C products is fiercely competitive. There are competitors for products ranging from entry-level to high-end. High-end products have more powerful performance and functions, as well as stylish appearance design and exquisite workmanship. The market for the Company's smart pen, game controller and headset products is mainly aimed at OEM orders from high-end brands. Through cooperation with high-end brands, the Company can promote exchanges of technology and innovation, which will help enhance the Company's research and development capabilities and product standards in order to meet the ever-changing market demand.

Under current conditions of rapid industrial integration, the development trend of "the big

getting bigger” is quite clear. The low-cost advantages enjoyed by small and medium-sized enterprises have gradually been lost. In fact, if they fail to establish their own core values, they will be eliminated by the market in the future. Therefore, under the effect of market globalization, the Company will be guided by market leaders, approach international customers, and understand their needs. Further, we should gradually shift from the past OEM model to ODM or JDM, developing new products with customers and providing them with diversified products and technical services. Only in this way can the Company justify its existence and create new opportunities for long-term development.

D. 3C retail channels

The competition in the 3C retail market is fierce. It is necessary to strengthen the integrity of the brand product line, manage social media, build a brand community and maintain positive interaction with fans, and strengthen existing members. Brand-related activities help to increase member stickiness and keep paying attention to new product launch news.

E. New energy engineering business

Shinfox has adopted a stable strategy - customer-oriented, to provide more effective and more satisfactory services to specific customers, while achieving low cost and differentiation, and maintaining the organization's return on investment. Shinfox's expertise and track record in the integration of related electrical and mechanical engineering systems and in energy technology engineering are superior to those of its peers in terms of expanding and obtaining case opportunities.

F. New energy power plant investment and energy service industry

Positioned as an expert in power integration, Shinfox has a proven track record in heavy-duty equipment, wind-power generator sets, and substations. Furthermore, Shinfox has integrated the competing and co-operative relationships between the upstream material and equipment manufacturers and downstream contractors to reduce the overall construction cost and obtain an advantage in the return on investment space.

Shinfox continues to develop and invest in large-scale solar photovoltaic and wind power plants, and plans to establish a SPV (Special Purpose Vehicle) project holding site to improve operation and capital efficiency, and plans to dispose of the SPV's equity, recover funds ahead of schedule and realize profits, and use the funds to expand solar power plants or develop other new businesses to achieve the goal of continuous growth.

1.3 Technology and R&D Overview

The company's invested research and development expenses and successfully developed technologies or products are as follows:

Unit: NTD Thousand

Differentiation	2024	2025 (through 2025.03.31)
Expenses	2,368,979	499,873
Successful Development New Products or New Technology	<ol style="list-style-type: none"> 1. Establishment and application of electroplating masking & plating technology 2. Automated busbar technology 3. AOI white light inspection technology 4. Development of PtRu alloy plating 5. High-step differential terminal forming technology 6. Three-stage offset-type iron shell riveting and forming technology 7. Physical movement detection for remote fitness sessions 8. Dual camera stitching Video Bar. 9. Gaming TWS with replaceable battery design. 10. Development of blind spot detection radar for two-wheeled vehicles 11. Establishment of tinyML technology 12. Green power sharing cloud service 13. Cloud platform. 	<ol style="list-style-type: none"> 1. High power density digital power supply design technology 2. High power density planar transformer design 3. 153W/460W Digital PSU technology development 4. Development of dexterous multi-finger robotic hand application technology 5. Establishment of digital power control technology 6. AI+AOI system development 7. Development of PCIE&MCIO 5.0 high-speed wiring harness and production line construction 8. Development of PCIe 6.0 connectors and high-speed wiring harness. 9. Green power sharing cloud service 10. Cloud platform

1.4 Long-term and short-term business development plans

In response to future industry development trends and the overall economic environment, the Company formulates long-term and short-term plans to map out its future business direction and from there enhance its competitiveness. A summary of the company's short-term and long-term plans is given as follows:

(1) Short-term business development plan

- A. Improve achievement rates, profitability, product differentiation, technical capabilities, product quality, and management capabilities.
- B. Reduce costs, expenses, product delivery, inventory, product development time, and so on.
- C. Take advantage of vertical integration to strengthen the integration of Group resources.
- D. For the main product categories with outstanding sales, extend the product series to penetrate existing customers. Through diversified product choices, increase the revenue contribution of each customer.
- E. In line with the government's promotion of renewable energy policies, we are continuously investing in the development and installation of clean energy sources such as solar, wind, geothermal, and hydropower. We are also consistently seeking excellent project sites, gradually accumulating engineering experience and achievements. We aim to establish or strengthen photovoltaic, wind, and hydropower teams with manufacturing and maintenance capabilities, transitioning from power generation to the liberalized electricity market. Through the sale of green energy and accompanying renewable energy certificates, we aim to increase the added value of renewable energy opportunities.

(2) Short-term business development plan

- A. Continue to promote with core products and capabilities in line with support of optics, increasing market size and creating benefits of high-value output.
- B. Expand market operations and develop diversified products and services.
- C. Get a feel for market trends and make good use of the Group's technical resources.
- D. Continuously cultivate and develop human talent.
- E. The 3C products in Taiwan are over-competitive and the market is saturated. We are targeting at the growing demand for small personal appliances. We are actively expanding new product lines, increasing sales of high value-added products, and stepping into the field of small home appliances based on individual needs. In addition, there is no delay in the development of overseas markets. In the early stage, under the agent model, we will actively promote the PQI brand at exhibitions in the future, and the early stage goal is to develop markets in Central and South America and Southeast Asia.
- F. In addition to the continuous investment in domestic renewable and clean energy development, active efforts have been made to integrate various renewable energy industry chains, spanning from development, construction, operation and maintenance to energy trading. On December 3, 2019, the company obtained a license to operate as an electricity retailer, enabling free trade of electricity. Furthermore, the company has entered the natural gas market and is currently the second company in Taiwan to obtain approval for natural gas importation, being the sole privately-owned natural gas importer in Taiwan. The company will continue its market development plan to replace heavy oil or coal with cleaner energy sources. To summarize, the operational strategy involves five main directions: "solar, wind, water, gas, and large platform," with a focus on cultivating expertise in various strategic areas. At the same time, it also participates in international bidding projects, evaluates the potential of overseas investment, and uses the experience of domestic power plants to deploy in Southeast Asia and lay the foundation for the Asian market. Continue to develop ESG industry business and create an ecological chain of resource circulation for the sustainable development of Taiwan.

2. Market and Production and Sales Overview

2.1 Market Analysis

2.1.1 Main product sales areas

Unit: NTD Thousand

Region	2024	
	Amount	Amount
United States	30,448,549	30.94%
Taiwan	26,063,390	26.49%
Mainland	20,133,898	20.46%
Vietnam	4,176,629	4.24%
Hong Kong	3,515,086	3.57%
India	2,921,830	2.97%
Others	11,138,079	11.32%
Total	98,397,461	100.00%

Note: The above amounts constitute revenues from the consolidated financial statements

2.1.2 Market share and future market supply and demand status and growth of the market

(1) Market share

- The Company sells a wide range of 3C components and peripheral products, including connectors and cables, power management modules, smart pens, game controllers, and earphones etc.
According to the statistics of Bishop & Associates, the global connector product output value will reach US\$86.6 billion in 2024, and it is expected to reach US\$90.5 billion in 2025, with a growth of 4.5%. Our company's connector products include cable connectors and communication connectors. In the global connector industry, connector products have a wide range of applications. In 2024, the total global connector industry value reached \$86.6 billion. The company's connectors and connecting wires is holding a market share of only about 0.6% in the global connector market. For other products, there is no complete and objective market share data, so they are not listed.
- The sales of 3C peripherals include physical distribution channels and trading services, and it is not easy to estimate an accurate market share. In addition, other products are diversified, so it is difficult to accurately estimate the market share.
- Currently, Shinfox's engineering business is entirely focused on domestic sales. Due to the diverse nature of system engineering services covering various fields, and the substantial differences in the specialized engineering areas of domestic mechanical and electrical engineering companies engaged in engineering services, it is not feasible to calculate market share based on revenue on the same basis.

(2) Future market supply and demand and growth

- At present, the Company's main products are 3C product parts and components and peripheral accessories, which are highly related to the prosperity of the electronic product market. In 2023, the global economy will be affected by factors such as inflation and high interest rates, resulting in weak terminal demand. Inflation will reduce the purchasing power of consumers. High interest rates will increase the borrowing cost of companies and individuals, resulting in a decrease in investment and consumption activities. Indirect impact on the Company's product shipments slowdown.

- In the future, with the promotion and upgrading of new technologies in electronic products, the demand for intelligent, high-performance and multi-functional products will increase, and the demand for related components and accessories will also increase accordingly. By continuously improving product technology and performance and adopting automated production methods, the Company meets the needs of the market and customers, and expands its market share to achieve the goal of continuous growth.
- 3C peripheral products are a product category with a rapid product life cycle, and they are also accessories for electronic products. The company's products are all available for shelf sales in mainstream sales channels, allowing users of electronic products at all levels to find the products they need in appropriate channels.
- The primary sources for solar market development are rooftop solar photovoltaic system installations on rooftops of factories (enterprises) in various industrial zones nationwide and government public tender projects. By the end of 2024, installations totaling 14,281.145 megawatts had been completed. and gradually promote the large-scale development of above-ground land including salt production.
- Shinfox will continue to develop onshore wind power plants and actively participate in the development of the third stage of offshore wind power blocks, which is expected to bring income from the construction of offshore wind power projects and long-term maintenance and operation income.
- Hydropower generation is a clean, self-produced energy source. In line with government policies and the conclusions of the National Energy Conference, promoting small-scale hydropower projects that efficiently utilize water resources and are environmentally friendly is worth actively developing and supporting. Small Hydraulic Power Assessment Report by the Water Resources Administration, a total of 79 sites with small hydraulic potential were assessed, of which 47 were river sites and 32 irrigation channels. The Farmland Irrigation Association has also conducted a preliminary survey on 27 sites with the potential of micro hydro power generation.
- In 2024, the Company assisted domestic large-scale enterprises in the maintenance and replacement of natural gas pipelines and equipment, and provided emergency temporary supply of air. By the end of 2024, five companies have completed the construction of natural gas stations and have begun supplying gas officially. They will continue with market development plans to seize the "clean energy" opportunities by replacing heavy oil or coal as fuel sources.

2.1.3 Advantages and disadvantages of our competitive niche, development prospects, and countermeasures

(1) Competitive Niche

- Close cooperation with international manufacturers

The Company has been deeply involved in the field of 3C product components for many years and has rich experience in production and manufacturing. Because the product quality and technology are deeply trusted by customers, coupled with a sound financial structure, our sales targets are mostly internationally renowned first-line manufacturers. Moreover, we have been with each other for many years and we have a good understanding of cooperation and a high degree of trust. The Company thus enjoys a good reputation in the industry, and it is also an important supplier of 3C components that is indispensable for major international manufacturers. The Company has accumulated very significant product design capabilities based on its close cooperative relationship with major international manufacturers, and our new product development can quickly gain recognition from existing customers. In addition, as we have won the trust and recognition of international customers, we have thus laid out a niche for the

Company's future business expansion and this is also conducive to striving to gain the business of potential new customers.

- Joint research and development

In order to meet the needs of all customers, the company's OEM/ODM team uses professional R&D and manufacturing services, from components to complex assembly integration, to carry out projects, propose application solutions, or offer technical support. By using 24-hour R&D and manufacturing services to jointly develop new products with customers, and by providing customers with creativity and service support, this ensures that the product can be accurately completed in the shortest time from samples to formal production.

- Quality advantages

In the spirit of excellence, the company is committed to pursuing the highest internationally recognized benchmarks for quality. Through an excellent quality management system, every work item is subject to strict control, evaluation, and analysis as we undertake continuous improvement to improve operational efficiency. Furthermore, we have implemented the ISO/TS 16949 quality management system to build a more complete customer oriented process as we strive to reach the ultimate goal of customer satisfaction.

- Diversified products, high added value

The Company's product structure includes related components for information, communications, and portable electronic products. In response to the needs of the market, the Company continues to develop towards high-end, high value-added products, as a complete product portfolio will benefit the flexibility of the company's operations and increase the ability to respond to rapid product changes.

- Possessing vertically integrated manufacturing capabilities, providing customers with diversified services

The Company has deep vertical integration capabilities in the production of 3C product components ranging from cable, product design, mold development, stamping, electroplating and molding to processing and assembly and so on. As these can be manufactured in our Company's factories, we therefore have the advantages of cost and quality. In addition, the company's product structure covers related components of communications, information, and portable electronic products. The products are diversified, which can meet the customers' demand for one-time purchases.

- Actively investing in the development of new products and technologies

Due to ongoing changes in technology, consumer preferences, and market trends, it is essential to rapidly introduce updated and improved products. In order to align with this trend, our company initially started with the production of connectors and cable products and has since expanded to include power management modules. Looking ahead, our research and development center will focus primarily on the development of wireless communication, high-speed transmission, as well as optical, acoustic, and high-current products. Therefore, in the future the Company will take the integration of optoelectronics as its development goal as it cooperates with the development and expansion of the wireless transmission field, making full use of the advantages of the Group and establishing a diversified product portfolio.

- Shinfox New energy

A. With a wide range of engineering services and excellent engineering performance, it is one of the few engineering service companies in Taiwan that can span into different industrial fields at the same time.

B. The operational team responsible for energy service management has rich experience in the construction and operation of power plants. In addition to focusing

on the investment, development, and operation of renewable energy power plants, they are responsible for the overall package of power plant engineering and maintenance. This includes everything from site assessment, planning and design, document submission, installation, technician certification, project management, grid connection, to post-completion warranty, maintenance, and comprehensive management services. 【One-stop integrated service】 .

(2) Favorable factors for development prospects

- Product application areas such as mobile phones, game consoles and data center are booming, driving the continuous growth of peripheral industries.
- With our product design capabilities, we can quickly develop new products to meet customer needs.
- Having won the trust and recognition of international customers, this is conducive to future business expansion and offers endless growth potential.
- Deep vertical integration extends from mold development to stamping, electroplating, forming and assembly; all these can be produced on their own with cost and quality advantages.
- Active expansion of product application areas ensures sources of growth momentum.
- Early development of process technology and material applications that meet future environmental regulations will improve competitive advantages and added value.
- Joint development of new products with major international manufacturers and accumulation of considerable technical and product design capabilities.
- The Jingshi subsidiary's Apple product channel in Hong Kong has a certain scale, which is attractive to accessories suppliers. It can accelerate the introduction of peripheral accessories, enrich the types of accessories, and form a virtuous circle of business growth in this part.
- The government promotes a "nuclear-free home" and the green energy policy will continue to expand the renewable energy target, which is helpful for the development of the subsidiary's renewable energy business.
- Sustainability responsibility: As of 2023, the estimated benefits of the energy power plant (including power generation and construction) are as follows: green energy power generation: 40,000 MWh, carbon emission reduction: 197,600 metric tons.

(3) Unfavorable factors for development prospects

- It is not easy to train and develop human resources in R&D.
- Prices of upstream materials have risen, reducing product profitability.
- Primary competitors are world-class manufacturers and competitive pressure is high.
- 3C retail channels
 - A. Large fluctuations in exchange rates: The international exchange rates fluctuate greatly, which affects cost control.
 - B. The entry threshold for 3C brands is too low.
- Shinfox New energy
 - A. The market competition is fierce and there is pressure to reduce prices.
 - B. Higher engineering, production, and manufacturing costs.
 - C. It is not easy to obtain the site of a solar power plant.
 - D. Huge capital expenditure.

(4) Countermeasures

- We cooperate with various universities and colleges for industry-university cooperation to cultivate and train talent in various disciplines over the long term. At the same time, we are improving employee welfare measures and strengthening professional training in order to improve manpower quality and reduce the turnover rate of personnel.

- We are taking advantage of the Group's bulk purchase capabilities to reduce the cost of input materials and maintain product profitability.
- We are introducing new automated production equipment and testing equipment and are committed to the improvement of production technology and process quality, to improve production efficiency and quality stability and thus become more competitive than our peers.
- We are enhancing our vertically integrated manufacturing capabilities and cooperating with precision mold development and automated processing testing technology to reduce costs and enhance our competitive advantages.
- We continue to develop new products and new technologies to reduce the impact of rising material prices, enhancing product profitability.
- We are enhancing our vertically integrated manufacturing capabilities and cooperating with precision mold development and automated processing testing technology to reduce costs and enhance our competitive advantages.
- We continue to promote process and production management improvement plans, introducing advanced production management technology to reduce production costs and enhance competitiveness.
- 3C retail channels
 - A. Closely observe the price fluctuations in the foreign exchange market and use various hedging methods to minimize potential risks.
 - B. Considering that there are many brands in the market, the prices are uneven, and consumers are more selective. Jing-shi continues to develop new products and control costs and prices to become more competitive in the market and improve the overall product profitability.
- Shinfox New energy
 - A. With years of accumulated engineering practices and experience, we have better control and bargaining power over equipment and material suppliers, and provide owners with suggestions on alternative construction methods. Through value engineering, we can effectively reduce customer costs and improve construction management capabilities and engineering service quality.
 - B. The Company has the advantage in the integration of upstream, midstream and downstream. Through outsourcing to experienced manufacturers, the supply channels of raw materials are expanded and the database of raw material procurement is established. In response to the situation, the Company will make use of its advantages and borrow funds at lower cost. In order to improve the efficiency of operation and capital utilization, the Company has adopted the "light assetization" approach to invest in power plants, and planned to sell the equity upon completion of the construction, in order to recover capital in advance and realize profits, and use the funds to expand the renewable energy power plant or develop other new businesses, in order to achieve the goal of rolling growth.
 - C. Shinfox is also one of the acquisition targets of forestry in many areas of Taiwan unfavorable for cultivation, salt flats, state-owned lands, lands yet to be released by Taiwan Sugar, and orphaned power plants abandoned by system providers that have withdrawn from the market. In addition, the Company has evaluated the bidding for the development of the third stage of offshore wind power sites.
 - D. The solar farm is held by a Special Purpose Vehicle (SPV), and the plan is to sell the SPV shares after completion to recoup funds and realize profits in advance. The funds obtained will then be used to expand solar power plants or develop other new businesses, thus achieving the goal of continuous growth through a rolling investment strategy.

2.2 Important uses and production processes of main products

2.2.1 Important applications of major products

- (1) The Company's main products are divided into cable connectors, board connectors, power management modules, and accessories for 3C products such as smart pens, earphones, and game controllers.

USB Type-C connectors for cable connections are primarily used in transmission cables for various consumer electronics products, including smartphones and other consumer electronic devices. Board-to-board connectors mainly include products such as lightning connectors, USB Type-C connectors, audio jack connectors, and memory card connectors. Network connectors are used to connect network peripheral devices, while game console connectors are used on the main console and controller ends to connect to other peripherals. The main purpose of the power management module is to enable the electronic equipment to obtain a stable, safe and effective power supply, and to provide various protection functions to ensure the normal operation of the electronic equipment.

The accessories of 3C products are mainly the medium between the user and the host for inputting instructions, operating and realizing interaction. These accessories include smart pens, headphones, game controllers, etc. They are usually connected to the host of electronic devices (e.g., smart phones, tablets, game consoles, etc.), through which users can perform various operations and interactions, thus realizing a richer user experience.

- (2) 3C retail channels

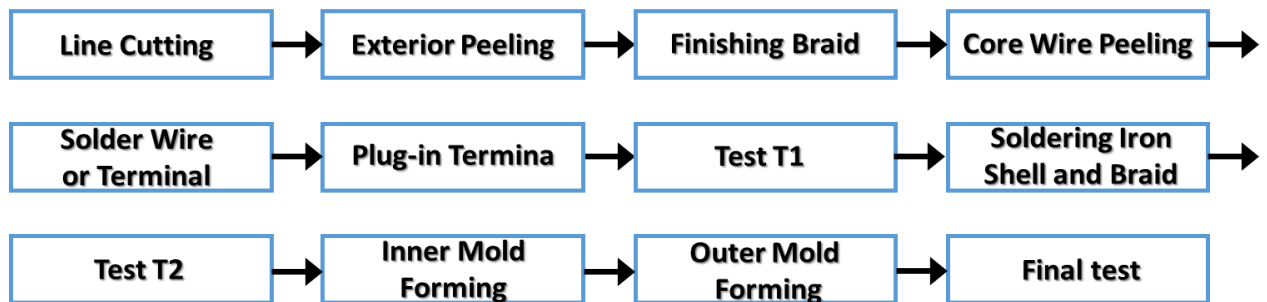
- Mobile peripherals:
Consumer communication products and entertainment or data processing equipment used by individuals or businesses. Support the use of various consumer entertainment products, communication products, data processing equipment, and outdoor/outdoor products.
- Memory products:
Used in personal computers, printers and other information products and as data access or transmission equipment

- (3) Shinfox New energy

Major Products	Purpose
Construction revenue	We provide comprehensive engineering contracting services, including various professional technical services such as feasibility studies and planning, engineering design, equipment supply, equipment manufacturing, engineering construction, construction supervision, and testing.
Technical service revenue	We evaluate and plan the utilization of energy-efficient lighting, variable frequency technology, network monitoring, contract electricity, etc., to provide energy-saving and emission reduction technical services for large shopping malls and department stores. We offer maintenance and upkeep services for various electrical substations, transformer stations, and telecommunications equipment rooms.
Electricity sales revenue	The generated electrical energy is supplied to various electricity demands through the Taiwan Power Company (Taipower) grid, including industrial and residential electricity needs.

2.2.2 Production procedures of major products

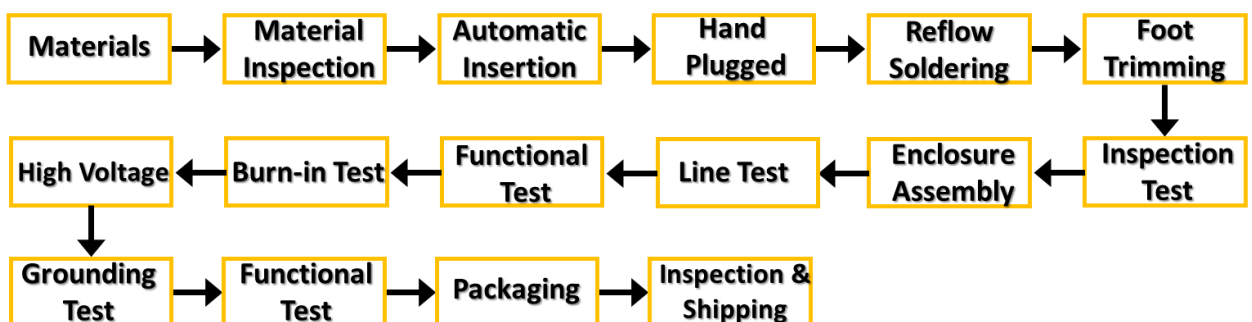
A. Cable Products



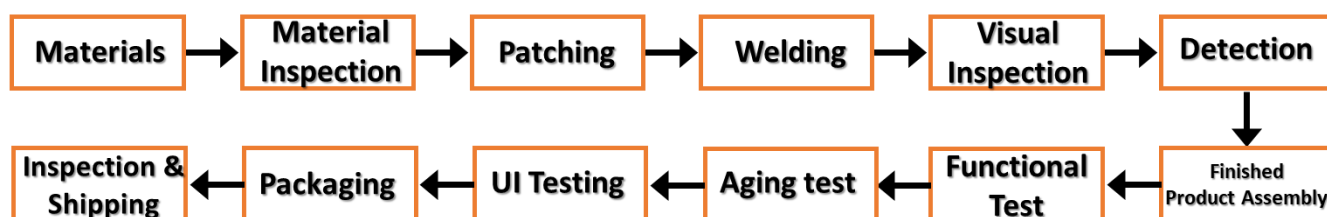
B. Connectors



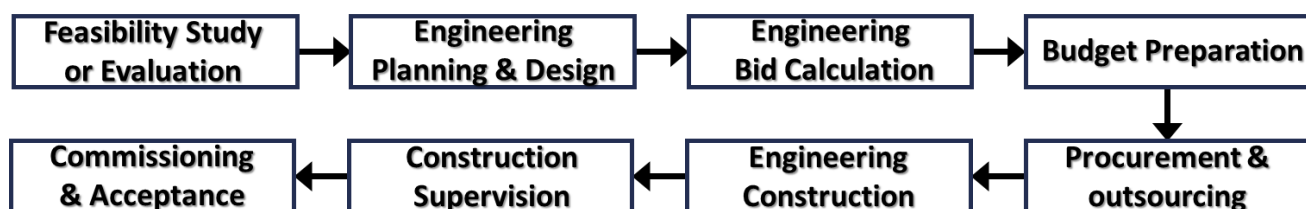
C. Power Management Module



D. Peripheral Accessories



E. Shinfox Construction Business



2.3 Supply status of main raw materials

The Company's main raw materials include copper materials, plastic materials, cables, batteries, capacitors, ICs, and PCBs. The Company has established a stable supply cooperative relationship with various suppliers. For purchases of major components, purchasing sources are dispersed as much as possible to ensure smooth purchasing.

2.4 Names of customers who accounted for more than 10% of total purchases (sales) in any of the most recent two years and their purchase (sales) amounts and proportions, and reasons for increase or decrease

2.4.1 Information on major suppliers in the last two years:

Unit: NTD Thousand

Year	2023				2024			
Item	Designation	Amount	Percentage Of Total Annual Net Purchases (%)	Relationship With Issuer	Designation	Amount	Percentage Of Total Annual Net Purchases (%)	Relationship With Issuer
1	Company A	11,529,782	18%	None	Company A	10,945,189	15%	None
2	Company D	4,188,958	7%	None	Company E	5,296,454	7%	None
	Others	47,824,621	75%	-	Others	58,568,320	78%	-
	Purchase of goods Net amount	63,543,361	100%	-	Purchase of goods' net amount	74,809,963	100%	-

Reasons for increase or decrease: Supplier A's purchase amount accounted for 3% less of the total in 2024 compared to 2023, primarily due to a decrease in overall sales, leading to a reduction in purchases from Supplier A. Supplier E's purchase amount reached 7% in 2024, mainly due to providing professional services for the new energy business, resulting in an increase in purchase amount.

2.4.2 Information on major sales customers in the last two years

Unit: NTD Thousand

Year	2022				2023			
Item	Designation	Amount	Percentage Of Total Annual Net Purchases (%)	Relationship With Issuer	Designation	Amount	Percentage Of Total Annual Net Purchases (%)	Relationship With Issuer
1	Company "Four"	18,911,892	21%	None	Company "Four"	20,461,823	21%	None
2	Company "Five"	9,908,573	11%	None	Company "Five"	16,528,678	17%	None
	Others	61,730,299	68%	-	Others	61,406,960	62%	-
	Sales Net amount	90,550,764	100%	-	Sales net amount	98,397,461	100%	-

Reasons for increase or decrease: Client D's sales amount accounted for the same proportion of the total in 2024 as in 2023. While the sales revenue increased, the proportion remained the same because the sales revenue from other clients also grew correspondingly. For Client E, revenue recognition began, resulting in Client E's sales amount accounting for a 6% increase of the total in 2024 compared to 2023.

3. In the last two years and as of the printing date of the annual report, numbers of employees in terms of average length of service, average age, and distribution ratio of academic qualifications

March 31, 2025

Year		2023	2024	2025 through March 31
Number of Employees Number of Individuals	Staff	8,687	8,176	7,932
	Operational Staff	18,432	16,236	17,474
	Total	27,119	24,412	25,406
Average Age		32.35	32.6	32.37
Average Years Of Service		4.06	4.5	4.42
Education Distribution Ratio	Ph.D.	0.06%	0.07%	0.06%
	Master's Degree	2.06%	2.09%	1.92%
	College And University	18.37%	19.86%	19.12%
	High School	12.11%	11.00%	14.63%
	Below High School	67.40%	66.98%	64.27%

4. Environmental protection expenditure information

- 4.1 The total amount of losses and penalties due to environmental pollution in the most recent year and up to the date of the annual report, and disclose the estimated amount that may be incurred currently and in the future and corresponding measures:

The Company did not and being punished.

- 4.2 Explanation of pollution prevention measures:

Our company primarily produces electronic components such as connectors and consumer electronics. Our production processes do not generate significant pollution or hazardous substances into the environment. Any business waste generated during our processes is handled by qualified waste disposal companies, and we ensure compliance with regulations by completing online declarations as required by law. In terms of wastewater discharge, we have obtained an industrial park integration certificate, and our wastewater is treated collectively by the industrial park's wastewater treatment system. Therefore, our business operations do not generate any pollution issues within our scope.

- 4.3 The Company strictly complies with environmental protection laws and regulations, and fully cooperates with customer requirements. In addition to implementing responsible production practices, the Company effectively controls air pollution, hazardous waste, energy conservation and emission reduction, and noise prevention during the manufacturing process. Employees are also educated on the importance of environmental protection to strengthen the Company's environmental governance capabilities. The Company has completed the establishment of its Science Based Targets initiative (SBTi), aligning with customers' carbon reduction standards to achieve sustainable business operations.

5. Labor Relations

The Company has an Employee Welfare Committee to facilitate the promotion of various welfare measures. The company has always treated employees with integrity, establishing a good relationship of mutual trust and mutual dependence with employees through a welfare system that enriches and stabilizes their lives and providing a good education and training system. Although there is no industrial union organization, over the years, the employees of the company have nonetheless also been able to demonstrate team spirit, cooperate with Company decisions, cooperate seamlessly with one another, and create an atmosphere of harmony between labor and management. Following are specific measures taken by the Company to work towards harmonious labor-management relations:

5.1 Labor Retirement Reserve Supervision Committee

The Labor Retirement Reserve Supervision Committee was established in December 1989 in order to check the amount of labor retirement reserves, deposits and expenditures, payment and other matters, ensuring labor rights and interests.

5.2 Benefits provided by the Company

- (1) Year-end commendation meeting to commend outstanding units and individuals.
- (2) Congratulations and condolences are given out by the Company when the employee experiences marriage, childbirth, hospitalization, or a death (including the employee's immediate family members).
- (3) All employees participate in labor insurance, group insurance, and so on.
- (4) There is a staff canteen providing staff lunches and evening buffets.
- (5) Staff uniforms are provided.
- (6) Health diagnosis subsidies are provided as well as medical consultations.
- (7) Awards and scholarships are provided to employees and their children every semester.
- (8) Colorful social gatherings are held.
- (9) Employee birthday bonuses are given out every month.

(10) Various societies have been established, and subsidies provided for their activities.

5.3 Continuing education and training

The Company attaches great importance to the professional skills training and personal development of employees, and provides a comprehensive training system. Through the annual survey and questionnaire feedback on different training types, the Company takes into account the training needs of each department and meets the development of employees' diversified abilities. From the foundational training on the group's corporate mission and business policies during onboarding to the abundant general resources available after joining, employees can not only absorb essential group knowledge but also tailor their learning to diverse job skills and performance enhancement courses based on their work needs and preferences.

In addition, it also integrates the development strategies of business units and provides professional skills training according to the needs of the units, so as to strengthen the professional capabilities of the Group and also make up for the skills gap in organizational development. In addition, the Company has set up a wealth of management courses for management employees, and promoted an exclusive learning system to continuously optimize the management leadership and knowledge of industry trends required by management employees.

We hope to improve the overall employee job satisfaction, help employees develop their potentials, improve themselves, and continue to grow the Company's overall capabilities. In 2024, the Group's employee education and training hours totaled 269,296 hours, with a total of 158,033 trainees and a total training expense of NTD 4.33 million.

The training activities are carried out in accordance with the annual education and training plan, and are divided into the following categories according to the level and nature of the position:

(1) Training for new recruits

To develop comprehensive new employee training content by gathering input from all relevant functional units. This content will include general knowledge courses on the Group's operating principles and business strategies, organizational regulations, code of ethics, occupational safety and health, quality policy, RBA Responsible Business Alliance Code of Conduct, and information security. The aim is to help new employees quickly understand key information and integrate into their work teams as soon as possible.

(2) Management competency training

Based on the annual management development needs of supervisors at all levels, and integrated with a dedicated learning system, hundreds of internal and external management competency courses are provided. These abundant management course resources aim to satisfy the foundational to professional management skill development required by supervisors, thereby enhancing their management capabilities. In addition, senior managers hold seminars weekly to share internal experience, project knowledge, and industry trend analysis to enhance their leadership skills.

(3) Profession competency training

Annual professional development courses are planned based on the job family of each business unit and the Company's operational goals. The course categories encompass a wide range of professional fields, including industrial safety, quality management, production management, regulatory practices, and technological research and development, aimed at training tens of thousands of employees both domestically and internationally across the entire group.

(4) Self-development training

Based on the employees' individual development needs and self-learning requirements, a variety of courses are offered, covering a wide range of topics such as health and stress management, goal setting and execution, communication, sustainability issues, and digital development. These courses aim to enhance employee well-being and holistic development, promote work-life balance, optimize work efficiency, and achieve the Company's sustainability goals.

(5) External training

The Company supports employees' on-the-job training and makes good use of external professional training institutions and resources to strengthen their professional skills, develop new skills, and improve overall business development.

5.4 Protective measures for working environment and employees' personal safety

(1) The Group follows the ISO45001 Occupational Health and Safety Management System and local regulations to formulate occupational health and safety policies and establish a management system that is applicable to all employees and contractors. The occupational health and safety system is closely integrated with the Company's production and manufacturing operations, and has passed It is implemented through the process of planning, training, prevention, control, performance evaluation and continuous improvement. At the same time, The group company is committed to pursuing the goal of zero harm, zero occupational diseases, and zero accidents, aiming to create the best working environment for all employees. The company upholds the occupational health and safety policy, implements relevant occupational health and safety laws and regulations to better protect the health, safety, and property rights of employees. Moreover, the company actively conducts inspections and remediation of safety hazards, maintains open channels for safety improvement proposals, encourages the participation of all employees, and proactively addresses and accepts oversight and audits from government agencies, clients, and other relevant parties.

(2) Emergency Response and Disaster Prevention

The establishment of the safety and disaster prevention center at the headquarters in Tucheng integrates real-time safety information from various factory locations to provide immediate safety and disaster prevention information. The company conducts regular industrial safety seminars and drills each year, provides training for response personnel, strengthens the group's safety and disaster prevention management system, and works to prevent operational disruptions caused by various risks.

(3) Occupational health:

The Company's Industrial Safety Department is responsible for checking the physical and chemical hazards of each unit in accordance with the annual safety and health management plan. It completes the operating environment monitoring plan with a sampling strategy, and the monitoring results are in compliance with legal standards.

(4) Education training:

The Company continues to enrich training resources by developing an online learning platform, offering both online and offline courses to enrich the learning materials for all employees. This aims to help employees, in addition to their regular work, enhance their safety knowledge and develop the ability to anticipate and prevent hazards. At the same time, fire evacuation drills, chemical spill drills, and environmental protection facility emergency response drills were conducted in accordance with the law. In 2024, a total of 547 safety and health training and various drills were held by the Group, with a total of 69,317 people attending.

5.5 Retirement system:

The Company's retirement system is implemented in accordance with Taiwan's Labor Standards Act and the Labor Pension Regulations, including:

(1) Seniority under the Labor Standards Act (old system): defined benefit pension system

A. Employee retirement application:

Employees must self-retire under conditions of "having worked for more than 15 years and reached the age of 55," "having worked for more than 25 years," or "having worked for more than 10 years and have reached the age of 60."

B. Employee pension payment:

The average salary of one month when the approved employee retires is used as the calculation standard for the employee pension base. Calculation of the standard of

payment is based on the employee's working experience, with two units granted for every one year of work through the first fifteen years, and one unit for one year of work for every year thereafter for a maximum of 45 units. For years of seniority less than half a year, they will be counted as one year; for years of seniority of over half a year, they will be counted as one year. However, according to Article 54 of the Labor Standards Act, employees who qualify for mandatory retirement due to the performance of their duties are subject to a 20% increase in their retirement pension according to the aforementioned regulations.

C. Supervision of employee pensions:

The Labor Retirement Reserve Supervision Committee was established in accordance with the law in December 1989 and the Committee is re-elected every four years; it reviews matters such as the amount of labor retirement reserves, deposits and expenditures, and payments to ensure labor rights and interests.

(2) Seniority under the Labor Pension Act (old system): defined contribution pension system

A. The Company allocates 6% to retirement pensions on a monthly basis: In accordance with the Scale Tables of Monthly Deposit for Labor Pension issued by the Bureau of Labor Insurance, appropriating 6% of an employee's wages to the employee's personal pension account every month.

B. Voluntary contribution to an employee's personal pension: Employees may also voluntarily contribute up to 6% of their monthly wages according to their own preferences.

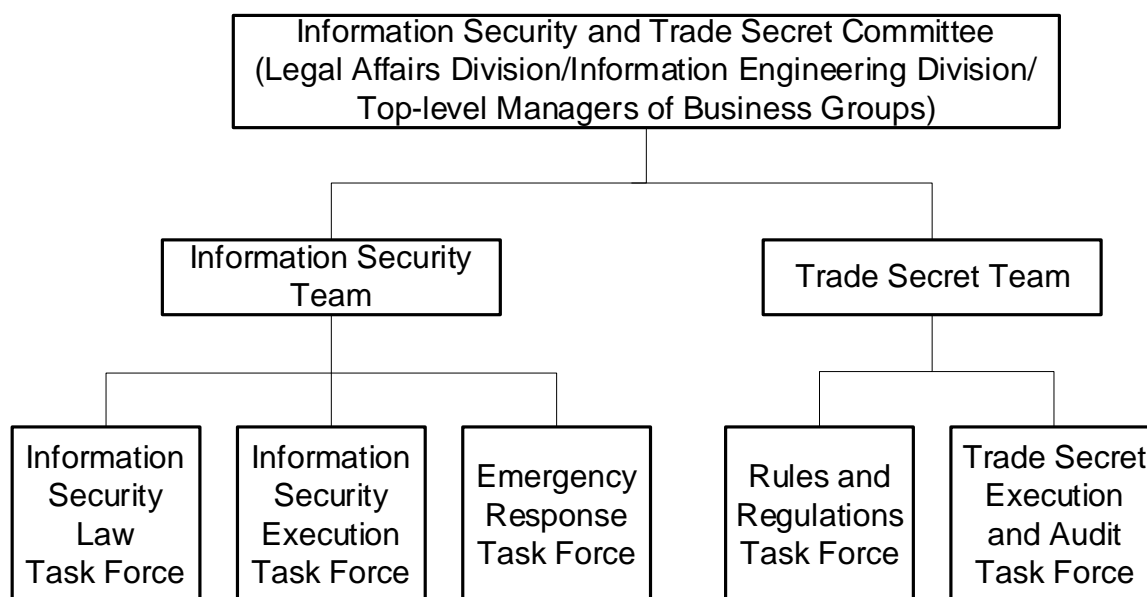
5.6 Whether there are any labor agreements or labor disputes suffered losses in the most recent year and up to the date of publication of the annual report:

The company's most recent year and as of the publication date of the annual report, there were no major labor disputes or labor disputes.

6. Information and Communication Security Management

6.1 Specify the information security risk management framework, the information and communication security policy, the specific management plan, and the resources invested in the information security management.

(1) Information security management organizational structure



(2) Information and communication security policy,

The information and communication security policy formulated by the Company is to maintain the integrity, availability, and confidentiality of information that belongs to the companies under the

group, actively avoid damage caused by human beings or natural and other external forces, and reduce the impact on the Company's operations and the losses to the Company. We enhance various information security measures and patch vulnerabilities in information facilities through regular internal information security audits, to maintain the normal operation of information systems. We also hold internal information security meetings to strengthen information security emergency response capabilities and reinforce and adjust annual information security management targets.

Goals and actions:

- Short-term goals:

- A. In 2025, the Company will continue to improve the FoxKM intelligent management platform, enabling each unit to become more familiar with using the FoxKM platform. Through the smart generation feature, enhance the utilization of the company's data assets.
- B. In 2025, the Company will continue to implement a website firewall system (WAF) for the Company's external service websites.
- C. In 2025, the Company will continue to deepen cybersecurity control at overseas plants, strengthening protective mechanisms and response capabilities.

- Mid- and long-term goals:

- A. Continue to deepen the internal Artificial Intelligence (AI) platform and knowledge management (KM) system to improve the effectiveness of smart application and knowledge sharing.
- B. Establish a Security Operations Center (SOC) to enhance cybersecurity monitoring and management effectiveness.

(3) Specific management plan, and the resources invested in the information security management:

- Information security organization's performance:

In the past, the cybersecurity organization was responsible for the review and execution of cybersecurity work items. Regularly conduct information security inventory and review, and strengthen the control of sensitive data. In the office environment, terminal control is implemented along with related control mechanisms to ensure that employees receive information security protection while working. On a regular basis, information is shared through announcements to keep employees informed of cybersecurity news, fostering cybersecurity awareness in the workplace. This has been a significant achievement since the establishment of the cybersecurity organization.

- Internal audit of information security:

The cybersecurity team conducts audits of each unit based on the resolutions of the Trade Secret Committee and internal audit matters, provides improvement measures, and reports the audit and improvement results to the Trade Secret Committee and the Board of Directors.

- Specific management plans:

- A. Network security

- * Implement network segmentation to separate the office network from the production environment, preventing the spread of malicious attacks across different plant areas.
- * Set up next-generation firewalls, intrusion detection systems, and internet usage monitoring solutions to enforce anomaly reporting and incident handling.
- * Restrict access from the office network to the production environment to reduce cybersecurity risks to the production line systems.

- B. Terminal security

- * Coordinate with system vendors to update and patch computer equipment, and install antivirus software for regular scans.
- * Enhance the information security of the workshop production systems by establishing a log center and conducting regular vulnerability scans and patches.

- C. Data security and protection

- * Encrypt and control access to engineering design files, with all data access having traceable records.

- * Implement anti-spam control for emails, with flexible strategy adjustments for external malicious emails.
- D. Information security notification and awareness improvement
 - * Strengthen employees' awareness of email social engineering attacks and phishing websites, enhancing their cybersecurity consciousness.
 - * Regularly verify cybersecurity reporting procedures with customers to improve response capabilities in communication with clients.
 - * Join cybersecurity alliance organizations and the Taiwan Cybersecurity Executive Alliance to stay informed about threat intelligence and ensure effective internal communication within the Group.
- E. Implement vulnerability scanning and repair
 - * Implement a vulnerability scanning program, conducting monthly scans of core information systems and arranging for vulnerability patches.
 - * Enhance the security of production environment systems to ensure the normal operation of production systems.
- Information security and customer information security management results:

The Group is a multinational enterprise. We establish cybersecurity regulations based on the cybersecurity laws and policies of various countries, including our own, and implement related risk controls. At the same time, we conduct cybersecurity management reviews in accordance with our clients' requirements regarding our cybersecurity policies and privacy rights. We have been meeting customers' information security audit requirements for many years. Measures for improvement after testing the business continuity plan and conducting penetration testing on critical information systems. The performance obtained since 2024 is as follows:

 - A. In 2024, the Company will continue to join the TWCERT of the Cyber Security Alliance to amend the vulnerability of the information security notification system.
 - B. In 2024, the Company passed the information security audit of key customers (supplier security and privacy guarantee).
 - C. In 2024, the Company will continue to participate in the Taiwan Cyber Security Alliance to strengthen information security exchanges and cooperation.
 - D. In 2024, the Company will conduct information security awareness promotion, participate in information security training, and enable employees to obtain information security training certification.
 - E. In 2024, implement a website firewall system (WAF) for the Group's electronic signature website.
 - F. The performance and results of the introduction of the knowledge management system (KM) in 2024.
 - * Enhance the sharing efficiency of internal knowledge:

Establish a corporate knowledge management system, promote the sharing of knowledge among employees, accelerate the efficiency of problem solving and decision-making.
 - * Enhance innovation ability:

Collect and share innovative ideas and solutions through the KM system to promote cross-department cooperation and inspire corporate innovation.
 - * Enhance the professional development of employees:

Provide systematic knowledge management training to strengthen the professional skills of employees and enhance overall competitiveness.
 - G. The performance and results of the introduction of Artificial Intelligence (AI) in 2024.
 - * Optimize business process:

Use AI technology to optimize business process, improve operational efficiency and reduce the burden of manual work.
 - * Enhance user experience:

Use AI to analyze data and respond to user needs more precisely and personalized

services.

- 6.2 Please specify the losses and potential impacts caused by material information security incidents and countermeasures in the last year and up to the publication date of the annual report. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be specified: None.

7. Important contracts:

Contract Nature	Counterparty	Contract Duration	Main Content	Restrictive Clauses
OEM Agreement	Company AA	2011/07/03~Until termination 2014/07/01~Until termination	OEM Production	1. Confidentiality Clause 2. Intellectual Property Warranty Clause
Manufacturing & Sales Agreement	Company AB	2005/09/07~ 2007/09/06	OEM Production	1. Confidentiality Clause 2. Intellectual Property Warranty Clause
OEM Agreement	Company AC	2018/10/01~ 2021/09/30	OEM Production	1. Confidentiality Clause 2. Intellectual Property Warranty Clause
OEM Agreement	Company AD	2012/06/27~ 2017/06/26	OEM Production	1. Confidentiality Clause 2. Intellectual Property Warranty Clause
Procurement Agreement	ASUS	2024/05/27~ Until termination	Business Equipment	
Credit Facility Agreement	Mega Bank & 6 other banks	2024/06/14~ 2029/06/14	Credit facility amounting to NT\$6 billion	
OEM Agreement	Company BA	2013/11/01~ Until termination	OEM Production	OEM Production by the Company
OEM Agreement	Company BB	2013/12/10~ Until termination	OEM Production	OEM Production by the Company
OEM Agreement	Company BC	2017/01/20~ Until termination	OEM Production	OEM Production by the Company
License Agreement	Company BD	2019/03/15~ Until termination	Sales License Agreement	1. Confidentiality Clause 2. Intellectual Property Warranty Clause
EPC Contract	Taiwan Power Company	2020/06/15~ 2030/12/31	Phase II Offshore Wind Power Project	Non-transferable, Breach Clause, Confidentiality Clause
EPC & Procurement Contract	Company IA	2021/06/03~ Until warranty expiry	Phase II Offshore Wind Power Project - Engineering & Procurement	Non-transferable, Breach Clause, Confidentiality Clause
EPC & Procurement Contract	Company IB	2024/10/11~ Until termination	Installation Contract & Equipment Procurement Contract	
Credit Facility Agreement	CTBC Bank	2025/03/03~ 2026/03/03	Credit facility amounting to NT\$2 billion	
Credit Facility Agreement	E.SUN Bank	2025/03/07~ 2026/03/07	Credit facility amounting to NT\$2 billion	

Contract Nature	Counterparty	Contract Duration	Main Content	Restrictive Clauses
Credit Facility Agreement	Chailease (Singapore)	2024/03/25~ 2025/03/24	Financing amounting to USD 1.05 billion	
Credit Facility Agreement	CTBC Bank / Bank of Taiwan	2024/01/08~ 2024/06/30	Credit facility amounting to NT\$3.36 billion	
Credit Facility Agreement	CTBC Bank and other participating banks	2024/06/28~ 2026/03/31	Credit facility amounting to NT\$21.475 billion	
Credit Facility Agreement	King's Town Bank	2024/07/26~ 2026/01/25	Credit facility amounting to NT\$2.3 billion	
Credit Facility Agreement	KGI Bank	2024/04/12~ 2024/12/31	Credit facility amounting to NT\$3 billion	

V. Financial status and financial performance review analysis and risk issue

1. Review and analysis financial status

Comparative analysis table of financial status

Unit: NTD Thousand

Item \ Year	2024	2023	Difference	
			Amount	%
Current Assets	79,927,392	68,009,957	11,917,435	17.52%
Property, Plant And Equipment	31,445,503	22,705,808	8,739,695	38.49%
Intangible Assets	1,306,213	1,724,432	(418,219)	-24.25%
Other Assets	17,832,520	13,321,361	4,511,159	33.86%
Total Assets	130,511,628	105,761,558	24,750,070	23.40%
Current Liabilities	42,120,726	41,256,215	864,511	2.10%
Non-Current Liabilities:	48,087,819	27,683,351	20,404,468	73.71%
Total Liabilities	90,208,545	68,939,566	21,268,979	30.85%
Equity Attributable To Owners Of Parent	26,211,294	24,190,274	2,021,020	8.35%
Capital Stock	5,123,269	5,123,269	-	0.00%
Additional Paid-In Capital	10,814,659	10,764,901	49,758	0.46%
Retained Earnings	12,280,163	11,598,307	681,856	5.88%
Other Equity Interest	(1,384,023)	(2,673,429)	1,289,406	48.23%
Treasury Shares	(622,774)	(622,774)	-	0.00%
Non-Controlling Interests	14,091,789	12,631,718	1,460,071	11.56%
Total Equity	40,303,083	36,821,992	3,481,091	9.45%
Reasons For Increases Or Decreases In Amounts In The Last Two Years.				
1. Property, Plant and Equipment increased by 38.49%, primarily due to the subsidiary's purchase of vessel equipment.				
2. Intangible Assets decreased by 24.25%, mainly due to the impairment of goodwill resulting from unfavorable market changes that reduced the subsidiary's expected future cash inflows.				
3. Other Assets increased by 33.86%, primarily due to an increase in prepaid construction costs by the subsidiary.				
4. Non-current Liabilities increased by 73.71%, mainly attributable to an increase in long-term borrowings by the subsidiary.				
5. Other Equity increased by 48.23%, mainly due to an increase in cumulative translation adjustment arising from exchange rate fluctuations.				

2. Review and analysis of financial performance:

Unit: NTD Thousand

Item \ Year	2024	2023	Difference	
			Amount	%
Operating revenue	98,397,461	90,550,764	7,846,697	8.67%
Operating costs	85,904,391	78,856,852	7,047,539	8.94%
Operating gross profit	12,493,070	11,693,912	799,158	6.83%
Operating Expenses	8,975,244	8,793,890	181,354	2.06%
Net Other Income and Expenses	-	118,111	(118,111)	-100.00%
Operating profit	3,517,826	3,018,133	499,693	16.56%
Non-operating income and expenses	487,234	118,168	369,066	312.32%
Net profit before tax	4,005,060	3,136,301	868,759	27.70%
Income tax expense	1,482,680	1,034,479	448,201	43.33%
Net profit for the period	2,522,380	2,101,822	420,558	20.01%
Reasons for increases or decreases in amounts in the last two years.				
1. Non-operating income and expenses increased by 312.32%, primarily due to the recognition of foreign exchange gains amounting to NT\$582,668 thousand in 2024.				
2. Income tax expense increased by 43.33%, mainly due to the increase in pre-tax net income in 2024.				

3. Cash flow review and analysis

Unit: NTD Thousand

Beginning cash balance	Annual net cash flows from operating activities	Annual cash outflows from investment and financing activities	Effect of exchange rate fluctuations	Cash surplus (insufficiency) amount	Remedial measures for cash shortages	
					Investment plan	Financing plan
14,844,796	3,764,439	(1,681,523)	878,873	17,806,585	-	-
1. Analysis of the changes in cash flows for the most recent year: (1) Operating activities: NTD 3,764,439 thousand (2) Investing activities: NTD (18,632,739) thousand (3) Financing activities: NTD 16,951,216 thousand 2. Remedial measures and liquidity analysis for cash shortage: None. 3. Analysis of cash liquidity in the coming year: With the Company's substantial growth in operations and increased profits in recent years, cash flows in the coming year will be sound.						

4. The impact of major capital expenditures in recent years on financial operations

Unit: NTD Thousand

Year	Capital expenditure items	Sources of funds	Total funds	Effect on financial operations
2024	Acquisition of property, plant and equipment	Own funds and bank financing	12,367,565	To expand production and sales capacity in response to market and customer demands, the Company constructed additional plant facilities and acquired production and marine equipment.

5. Reinvestment policy in the most recent year, main reasons for its profit or loss, improvement plan and investment plan for the next year

The Company's reinvestment under equity method is for long-term strategic purpose. In 2024, the reinvestment profit under the equity method was NTD 713,396 thousand. In the future, the Company's reinvestments under equity method will continue to be long-term strategic investments, and will focus on expanding production capacity in response to market demands, and will continue to prudently evaluate them.

6. Risk management

6.1 Most recent year impact of interest rate, exchange rate changes, and inflation on the Company's profit and loss and future countermeasures:

- (1) In fiscal year 2024, the Company's bank borrowings increased compared to 2023, coupled with a rise in market interest rates, resulting in total interest expenses of NT\$979,747 thousand, up from NT\$619,232 thousand in 2023. Moving forward, the Company will regularly evaluate borrowing rates among its partner banks, maintain sound relationships with financial institutions to secure favorable loan terms, and closely monitor interest rate trends to ensure financial flexibility.
- (2) The Company recorded a foreign exchange loss of NT\$582,668 thousand in 2024, primarily due to the appreciation of the U.S. dollar. Given the unpredictability of exchange rate movements, the Company aims to minimize net exposure to foreign exchange fluctuations and engages in forward foreign exchange contracts to hedge identified risk positions. This approach helps reduce the impact of currency volatility on overall profitability.
- (3) In recent years, international crude oil and base metal prices have exhibited high volatility due to various global factors, posing significant challenges to cost control and business planning. In addition, the domestic electricity price hike in 2024 has contributed to inflationary pressure. The Company will closely monitor price trends and formulate medium- to long-term procurement strategies to mitigate the impact of inflation on its financial performance.

6.2 In the past year, policies for engagement in high risk and high leverage investment, loaning funds to others, guarantees/endorsements, and derivative trade, the main reason for profit or loss, and the response in the future:

- (1) Since its establishment, the Company has been committed to operations in its industry and has not engaged in high risk and high leverage investment behavior.
- (2) The Company's conduct of loans of funds to others and of endorsements and guarantees are all handled in accordance with the company's Operational Procedures for Loaning Funds to Others and Implementation Measures for Endorsements and Guarantees.
- (3) The Company did not engage in derivative operations in 2023. Any future derivative transactions will be for the purpose of hedging and will be handled in accordance with the Procedures for the Acquisition or Disposal of Assets.

6.3 The most recent annual research and development plans, current progress of ongoing R&D plans, R&D expenses to be reinvested, estimated time before mass production is completed, and main factors influencing the success of future R&D:

- (1) The main future research and development directions and strategies of the Company will be:
 - A. Closely integrate technology into products to generate differentiated competitive advantages.
 - B. Integrate the technical fields of materials, machinery, electronics, optics, electroacoustics, power, etc.; e.g., through: optical inspection automation, engineering analysis capabilities, secondary processing electroplating technology, antenna design, and wire nano coating development.
 - C. Build professional laboratories for high frequency technology, electroacoustic technology, surface technology, and so on.
 - D. Lead and continue to develop various halogen-free, lead-free materials and application

- products that meet future environmental protection requirements.
- E. Participate in the development process of customers' new products to provide them with various solutions and technical support.
 - F. Strengthen the ability to integrate existing technologies and evaluate and introduce new product development technologies.
 - G. Integrate the technology platform of electro-optic sound to expand products and market share.
 - H. Pay attention to the development of green technology, including energy-saving and carbon emission reduction technologies, renewable energy applications, and develop corresponding products and solutions, and contribute to the creation of a sustainable environment.
 - I. Develop cloud computing and edge computing technologies and modules, and provide related cloud services and data analysis solutions.
 - J. Development of artificial intelligence (AI) related applications and products.
- (2) Cases that have been developed and completed as of the first quarter of this year:
- A. Establishment and application of electroplating masking & plating technology
 - B. Automated busbar technology
 - C. AOI white light inspection technology
 - D. Development of PTRU alloy plating
 - E. High-step differential terminal forming technology
 - F. Three-stage offset-type iron shell riveting and forming technology
 - G. Physical movement detection for remote fitness sessions
 - H. Dual camera stitching Video Bar.
 - I. Gaming TWS with replaceable battery design.
 - J. Development of blind spot detection radar for two-wheeled vehicles
 - K. Establishment of tinyML technology
 - L. Green power sharing cloud service
 - M. Cloud platform.
- (3) This year's planned development of ongoing cases is as follows, and it is expected that mass production and shipments will be attained by the end of this year.
- A. High power density digital power supply design technology
 - B. High power density planar transformer design
 - C. 153W/460W Digital PSU technology development
 - D. Development of dexterous multi-finger robotic hand application technology
 - E. Establishment of digital power control technology
 - F. AI+AOI system development
 - G. Development of PCIE&MCIO 5.0 high-speed wiring harness and production line construction
 - H. Development of PCIe 6.0 connectors and high-speed wiring harness.
 - I. Green power sharing cloud service
 - J. Cloud platform.
- (4) Our company's actual R&D expenditure for the merger in 2024 amounted to NT\$2,368,979 thousand, approximately 2.41% of the consolidated revenue for that year. The planned R&D expenditure for 2025 is currently set at NT\$2.9 billion. The company will allocate R&D expenses according to the aforementioned plan and targets, with adjustments made based on operational conditions.

6.4 In the past year, the impact of important domestic and foreign policies and legal changes on the Company's financial business and corresponding measures:

The Company has a legal unit that keeps an eye on important domestic and foreign policies and changes in laws to propose impact assessments and response plans. At the same time, the Company has also appointed external legal counsel to make inquiries and deal with legal issues related to the Company.

6.5 Effect of changes in technology (including information and communication security risks) and industrial changes on the Company's financial operations and countermeasures:

(1) The advancement of science and technology is set to transform human life as well as impact the ecology of the industry. The changes in and rise and fall of the industry are closely related to the Company's future development. In the past, our Company has developed from its start in the information industry to take its place in the communications industry, and is now set to expand into the consumer electronics industry. The Company has thus always been able to keep abreast of technological information and changes in this industry to understand market needs and trends in this industry, so as to set out strategies that are beneficial to the Company's long-term development.

(2) Information security risk assessment analysis

The Company has formulated an information security policy to strengthen information security management, ensuring the confidentiality, integrity, and availability of the information assets. It has done so in order to provide an information environment for the continuous operation of the Company's business, as well as freedom from internal and external threats whether deliberate or accidental. The Company has also formulated information security risk assessment procedures and conducts regular annual assessments.

A. Information security policy scope

- Personnel management and information security education and training
- Internet security.
- System access control, application program security.
- Information asset security management.
- Physical and environmental safety management.
- Business continuity planning and management.
- Data protection and privacy.
- Information Security Audit Management

B. Information security policy responsibilities

- The Company has established an inter-departmental information security management team. The staff work of this group is the responsibility of the information unit, coordinating matters related to information security management.
- Supervisors at all levels of the Company should actively participate in and support the information security management system, and achieve cost policies through the relevant standards and procedures that have been established.
- All personnel of the company, outsourced service vendors and visitors should abide by these policies.
- When any personnel of the Company or outsourced service providers discover an information and security incident, the contact person of the information security team should be notified, and the person in charge of the information security team should be informed. At the same time, the information security contact person should report information security incidents or discovered weaknesses through the notification mechanism, and should also record them.
- Any act that endangers information security will be investigated for civil, criminal and administrative responsibilities according to the seriousness of the circumstances or will be dealt with in accordance with the relevant regulations of the Company.
- The information security team's operations are to be implemented in accordance with the Company's procedures to ensure data integrity and security. As the results of the information security risk assessment are still optimal, the Company's information security has therefore experienced no major adverse effects and no major operational risks in the

most recent year and as of the publication date of the annual report.

6.6 In the most recent year, the impact of corporate image change on corporate crisis management and countermeasures:

The Company has been committed to operations in its industry and with the goal of establishing a positive social image of the Company and exerting its social responsibility. Nothing has happened that would damage our corporate image.

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

In the most recent year and up to the date of publication of the annual report, the Company has not had any mergers or acquisitions.

6.8 Expected benefits and possible risks of plant expansion and countermeasures:

In order to meet the needs of future business growth, the company will continue to expand the production capacity of each production base to expand its market share.

6.9 Risks arising from purchase or sales concentration and countermeasures:

(1) Sales:

As the company's products are diversified, including cables, connectors, batteries, power modules and other system products, the application scope of terminal products covers communication and consumer electronics products and the sales target is mainly international brand manufacturers; therefore, risk is relatively low. At the same time, the company's products have gradually changed from OEM and ODM to JDM (joint design manufacturing with customers) in recent years, thus providing customers with multiple technical resources. Therefore, the close integration of customer relationships also greatly enhances the Company's R&D strength and competitiveness; and even in the face of an oligopolistic market for end products, the Company can also expand various new product areas and achieve the goal of stable growth in its annual performance.

(2) Purchasing:

Except for agency sales involving finished products bought back from subsidiaries, the Company requires a wide range of raw materials in view of the diversified nature of its products. As a result, actual purchasing counterparties are quite spread out and there is no risk of concentration.

6.10 The influence and risk of the massive transfer of shares or the replacement of the directors, supervisors, or major shareholders holding more than 10% of the shares issued by the Company, and the response:

In the most recent year and up to the date of publication of the annual report, the Company has not faced the aforementioned situation.

6.11 The impact, risks and countermeasures of a change of management rights on the Company:

In the most recent year and up to the date of publication of the annual report, there has not been such a concern.

6.12 Litigation or non-litigation events:

(1) The Company's current major litigation or non-litigation events or administrative disputes still being adjudicated:

Our Company	Counterparty	Dispute Commencement Year	Summary of Facts	Jurisdiction Authority
SHIH FONG POWER CO., LTD.	Citizens of the Earth, Taiwan	Year 2021	<p>Case Summary: The Citizen of the Earth Foundation, in relation to an environmental impact assessment case, submitted a citizen notification letter to the Environmental Protection Administration (EPA), requesting the EPA to order our company to submit an environmental anomaly analysis and a countermeasure review report regarding the development project for EPA's review. On June 9, 2021, the EPA replied in writing, stating that the development project had already passed the environmental impact assessment and difference review procedures, and there was no legal basis to require a second difference review. On August 6, 2021, the Citizen of the Earth Foundation filed an administrative lawsuit against the EPA on the grounds of administrative inaction. This case is referred to as the "Environmental Impact Assessment Case."</p> <p>Case Status The Taipei High Administrative Court dismissed the plaintiff's claim. The plaintiff appealed, and the case is now under review by the Supreme Administrative Court. As of June 24, 2024, our company has filed to participate in the proceedings, and the court is continuing the trial.</p>	Taipei High Administrative Court, Supreme Administrative Court

Our Company	Counterparty	Dispute Commencement Year	Summary of Facts	Jurisdiction Authority
SHIH FONG POWER CO., LTD.	Shanli Tribe, Taiping Tribe, and other Indigenous Peoples	Year 2023	<p>Case Summary: The Shanli Tribe, Taiping Tribe, and other Indigenous peoples filed an appeal case requesting a suspension of execution and revocation of the Ministry of Economic Affairs' Bureau of Energy's issuance of the 2023 Work Permit for the Shih Fong Company's power plant.</p> <p>Case Status: (1) Suspension of Execution of the 2023 Work Permit: On September 28, 2023, the Supreme Administrative Court dismissed the motion for suspension of execution (overruling the original ruling by the Taipei High Administrative Court). (2) Revocation of the 2023 Work Permit: On February 6, 2024, the Secretary-General of the Executive Yuan issued a written response declining to accept the appeal, stating that individual Indigenous persons may not file such lawsuits. On March 28, 2024, the applicants filed an administrative lawsuit with the Taipei High Administrative Court. On June 17, 2024, our company filed a motion to intervene in the lawsuit. As of February 5, 2025, the second preparatory hearing has been held, and the case is under continued trial.</p>	Taipei High Administrative Court / Supreme Administrative Court

Our Company	Counterparty	Dispute Commencement Year	Summary of Facts	Jurisdiction Authority
SHIH FONG POWER CO., LTD.	Shanli Tribe, Taiping Tribe, and other Indigenous Peoples	Year 2023	<p>Case Summary: The Shanli Tribe, Taiping Tribe, and other Indigenous peoples filed a petition for the suspension of execution and revocation of the Ministry of Economic Affairs Bureau of Energy's issuance of the 2024 Work Permit to Shih Fong Company's power plant.</p> <p>Case Status: (1) Suspension of Execution of the 2024 Work Permit</p> <ul style="list-style-type: none"> ● On August 5, 2024, the Executive Yuan rejected the petition for suspension. ● On October 22, 2024, the petitioners filed an administrative lawsuit with the Taipei High Administrative Court. ● On December 2, 2024, our company filed a motion to intervene in the lawsuit. ● As of December 4, 2024, the court has held an evidence investigation hearing, and the trial is ongoing. <p>(2) Revocation of the 2024 Work Permit:</p> <ul style="list-style-type: none"> ● The appeal is under review as of July 9, 2024. ● On September 30, 2024, our company filed a motion to participate in the administrative appeal. 	Appeals Review Committee, Executive Yuan / Taipei High Administrative Court

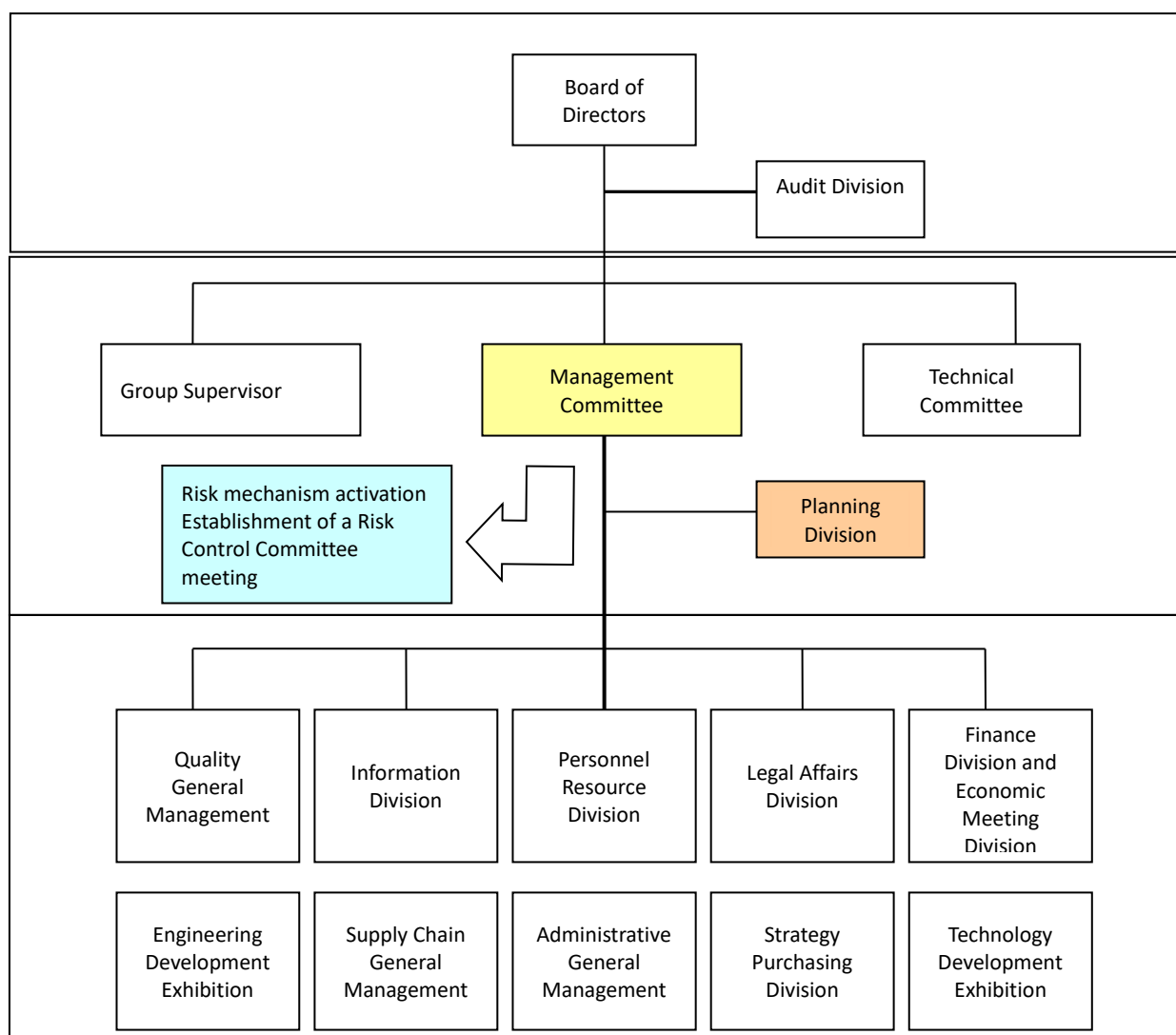
- (2) Major litigation or non-litigation events impacting the Company and its directors, supervisors, general managers, substantive persons in charge, and major shareholders whose shareholding ratio exceeds 10%, and major litigation or non-litigation events or administrative disputes confirmed or still being adjudicated for affiliated companies, where the outcomes may have a significant impact on shareholders' equity or the price of securities: **None.**

6.13 Other important risks and countermeasures: None.

- (1) Risk management policy of the Company:

In order to strengthen its risk management mechanisms and improve internal response to various risk issues, the Company has formulated its Risk Management Measures. These clearly define risk items, risk levels, notification and management procedures, risk control management organizational structure, supervision and tracking rights and responsibilities, and so on. This is done to enhance the Company's internal risk management awareness and reduce the possibility of risk. It is further hoped that the impact of risk items can be reduced so as to achieve the Company's vision and business goals.

- (2) Risk management organization framework:



(3) Functional description of each organizational unit:

- Management Committee: Comprehensively coordinates the operation of various functional organizations; discuss and suggest optimal countermeasures
- Finance and Accounting Division: Financial risk assessment and control
- Information Division: Evaluation and control of information systems and computer hardware and software equipment
- Administrative Management Division: Evaluation and control of general affairs and industrial safety system planning
- Human Resources Division: Evaluation and control of talent cultivation and personnel management
- Legal Affairs Division: Evaluation and control of legal risks
- Spokesperson: The Company's unified external contact window

7. Other important matters:

7.1 Status of advanced training for directors:

Position	Name	Training date		Organizer Unit	Course Designation	Training Hours
		From	Until			
Director	T.C Gou, Chen-Phan Pu T.C. Wang James Lee Eric Huang	2024.05.15	2024.05.15	Taiwan Corporate Governance Association	Understand the AI risk management framework and enhance trust in the integrated application of AI	3
		2024.08.08	2024.08.08	Taiwan Corporate Governance Association	Business management practices, strategies and execution	3
Director	T.C. Wang	2024.07.03	2024.07.03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	3
Director	T.C. Wang	2024.11.21	2024.11.21	Taiwan Institute of Directors	New view of corporate governance in 2025: The key guidelines for directors	3
Director	Randy Lee	2024.03.08	2024.03.08	Taiwan Corporate Governance Association	Corporate crisis management and communication	3
Director	Randy Lee	2024.08.14	2024.08.14	Institute of Financial Law and Crime Prevention	Analysis of practical cases in shareholder meeting disputes	3
Director	Chien-Chung Fu	2024.05.15	2024.05.15	Taiwan Corporate Governance Association	Understand the AI risk management framework and enhance trust in the integrated application of AI	3
Director	Chien-Chung Fu	2024.06.13	2024.06.13	Taiwan Corporate Governance Association	Corporate mergers and insider trading	3
Director	Jing-Mi Tang	2024.08.08	2024.08.08	Taiwan Corporate Governance Association	Business management practices, strategies and execution	3
Director	Jing-Mi Tang	2024.11.15	2024.11.15	Taiwan Corporate Governance Association	Comprehensive intellectual property protection strategy - A new perspective on AI-Assisted IP compliance management	3
Director	Chih-Yang Tseng	2024.05.15	2024.05.15	Taiwan Corporate Governance Association	Understand the AI risk management framework and enhance trust in the integrated application of AI	3
Director	Chih-Yang	2024.08.08	2024.08.08	Taiwan Corporate	Business management	3

Position	Name	Training date		Organizer Unit	Course Designation	Training Hours
		From	Until			
	Tseng			Governance Association	practices, strategies and execution	

7.2 On-the-job training of the corporate governance officer:

Position	Name	Training date		Organizer Unit	Course Designation	Training Hours
		From	Until			
Corporate Governance Officer	Kufn Lin	2024.02.23	2024.02.23	Taiwan Association for Corporate Management and Sustainability	Corporate Governance and Securities Regulations	3
		2024.05.14	2024.05.14	Taiwan Corporate Governance Association	Mastering AI Risk Management Framework to Enhance Trust in AI Integration	3
		2024.08.08	2024.08.08	Taiwan Corporate Governance Association	Practical Corporate Management: Strategy and Execution Capability	3
		2024.08.23	2024.08.23	Taiwan Corporate Governance Association	Prevention of Labor Disputes and Corporate Governance	3

7.3 Personnel involved in financial information transparency, participating in training or obtaining licenses:

(1) Participation in training:

Year	Organizer	Course title	Course Hours	The Company's number of participating staff
2024	Accounting Research and Development Foundation	Professional Training on Legal Liabilities of Employee Fraud and Practical Internal Control & Audit	6	2
2024	Accounting Research and Development Foundation	Professional Training on Tax and Financial Planning Practices and Case Studies in International Diversified Operations	3	1
2024	Accounting Research and Development Foundation	Professional Training on Effective Internal Control for Sustainability Reporting	3	1

(2) Circumstances of obtaining licenses: **None**.

VI. Special Disclosures

1. Related Party Information

The organizational chart of related parties, basic information of each related party, details of directors, supervisors, and general managers, as well as the operational overview of related parties, can be found in the "Related Party Three Reports and Financial Statements" on the Market Observation Post System. Please refer to the following link: <https://mops.twse.com.tw/>

2. Private Placement of Securities as of the Most Recent Year and Date of Report Publication: None.

3. Other Necessary Supplementary Information: None.

4. Matters with a Significant Impact on Shareholder Equity or Stock Price as of the Most Recent Year and Date of Report Publication: None.

Cheng Uei Precision Industry Co., Ltd.

Chairman: T.C. Gou