

Stock Code: 3501

# **WELL SHIN TECHNOLOGY CO., LTD.**

## **2024 Annual Report**

**Published on April 30, 2025**

**Annual Report Inquiry Website: [http : //mops.twse.com.tw](http://mops.twse.com.tw)**

**Company Website: [http : //www.wellshin.com](http://www.wellshin.com)**

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

Spokesman: Yu, Chia-Te

Title: Accounting Associate Manager

Acting spokesman: Wu, Rui-Lian

Title: Special Assistant to the General Manager's Office

Telephone number: (02)2791-1119

E-mail address: ws\_ir@wellshin.com.tw

2. Address and telephone number of the company's headquarters and factories

Company's headquarters: No. 196, Xinhua 3rd Rd., Neihu Dist., Taipei City

Telephone number: 02-2791-1119

Factory address: No. 1, Sec. 1, Yanhai Rd., Maicuo Village, Fuxing Township, Changhua County

Telephone number: 04-7703081-6

3. Agency handling shares transfer

Name: Grand Fortune Securities Co., Ltd.

Address: 6 F., No.6, Chung Hsiao West Rd., Sec. 1, Zhongzheng Dist., Taipei City

Telephone number: 02-2371-1658

Website: www.gfortune.com.tw

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

Name: Lin, Se-Kai & Liang, Yi-Zhang

Accounting firm: PwC Taiwan

Address: 27F, No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City

Telephone number: (02)2729-6666

Website: www.pwc.com.tw

5. Name of any exchanges where the company's securities are traded offshore, and the method by which to access information on said offshore securities

As of the date of publication, the Company has no offshore securities listed for trading.

6. Company Website: www.wellshin.com.tw

## Contents

Page

I.	Report to Shareholders	
	1. Operating results for 2024 .....	2
	2. Outline of business plan for 2025 .....	3
II.	Corporate Governance Report	
	1. Directors, general managers, deputy general managers, assistant managers, directors of various departments and branches .....	5
	2. Remuneration paid to directors, supervisors, general manager and deputy general manager in the most recent year .....	14
	3. Corporate Governance Implementation Status .....	18
	4. Information on the professional fees of the attesting CPAs.....	56
	5. Information on change of accountant.....	56
	6. Whether the Company's chairman, general manager, and manager in charge of financial or accounting affairs have worked in the firm of the certified accountant or its affiliated enterprises within the last year.....	57
	7. Changes in equity transfers and equity pledges of the Company's directors, managers, and shareholders holding more than 10% of its shares in the most recent year and as of the date of publication of this annual report .....	58
	8. Information on the relationship among the top 10 shareholders, spouses, or relatives within the second degree of kinship.....	59
	9. Shareholding of the company, its directors, supervisors, managers, and enterprises directly or indirectly controlled by the company on the same reinvested enterprise. The number of shares, and the ratio of consolidated shareholdings .....	60
III.	Situation of fundraising	
	1. Capital and shares .....	61
	2. Handling status of corporate bonds (including overseas corporate bonds) .....	65
	3. Handling status of preferred shares.....	65
	4. Participation in the issuance of overseas depository receipts .....	65
	5. Handling of employee stock option certificates.....	66
	6. Handling of new shares with restricted employee rights .....	66
	7. Status of merger and acquisition.....	66
	8. If the transfer of shares of another company is still in progress, the handling status .....	66
	9. Implementation of the fund utilization plan.....	66
IV.	Operation Overview	
	1. Business content.....	67
	2. Overview of the market and production and sales .....	76
	3. The number of employees employed .....	84
	4. Information on environmental protection expenditures.....	85
	5. Labor relations .....	85

6. Cyber security management.....	86
7. Important contracts .....	88
V. Review and analysis of financial status and financial performance and risk issues	
1. Financial status.....	89
2. Financial performance.....	90
3. Analysis of cash flow .....	91
4. The impact of major capital expenditures on financial business in the most recent year.....	92
5. The reinvestment policy and the main reasons for profit or loss in the most recent year, and its improvement plan and investment plan for the next year .....	92
6. Risk management and assessment .....	93
7. Other important matters .....	96
VI. Special items to be included	
1. Relevant information of affiliated companies.....	97
2. Handling of private placement of securities in the most recent year and as of the publication date of this annual report .....	104
3. Other necessary supplementary explanations .....	104
4. In the most recent year and as of the date of publication of this annual report, if any matters that have a significant impact on shareholders' equity or securities prices as stipulated in Subparagraph 2, Paragraph 3, Article 36 of the Securities Exchange Act.....	104

## **I. Report to Shareholders**

Dear shareholders:

In 2024, the overall inflation seemed to slow down, and each country's central bank also began to cut the interest rates; economic performance throughout the world varied; the overall economy in the U.S. was strong in terms of consumption expenditure with booming demands for labor force, and the overall data was beyond expectation. However, countries in Europe and Asia did not perform as well as before. Notwithstanding, the global economy was still quite resilient. The Company's 2024 consolidated net operating income was NT\$5,922,193 thousand, accounting for an increase of 11.14% compared with NT\$5,328,786 thousand in 2023; the net profit after tax was NT\$723,444 thousand, increasing by 42.55% compared with NT\$507,511 thousand in 2023; the after-tax earnings per share (EPS) was NT\$6.12. Please allow me to express my special thanks to all our shareholders for their support and all our employees for their hard work.

In 2024, the global economy was still confronted with inflation threats. With the sales department's aggressive exploitation of sales channels, the Company's revenue increased in comparison with the past years. In addition to research, development, and production of products related to various power cable, wiring harness, and power peripherals in coordination with customers' needs, we also produce, in response to the trend of consumer products, related products applied to low-orbit satellites, electric vehicles, etc., which more diversified the sales patterns of the company, and increased the operation size. Regarding costs, management benefits came up step by step for each main product under strict control of annual production planning, further reduced production and management costs, and increased production efficiency. In terms of production technology, we actively researched and developed automated production lines of each product, and increased the automated production ratio, so the stability of product quality and quantity went up accordingly to save manpower and reduce costs.

In the new year, after US President Trump was inaugurated, he accelerated the action of tariff protectionism which he firmly believed in, so the trade wars, centered by the U.S. benefits, spread everywhere, resulting in extreme instability of economic prospect. It not only fueled upside risks of inflation, but turned out to be the greatest uncertain factor of the global economic growth. Whether it would cause slowdown of consumption demands is still unknown, but the costs of various industries will inevitably face great challenges. How to face tariff threats, and reduce costs, while maintaining revenue momentum are issues which we will encounter in the new year. Business-wise, we have to keep close contacts with customers, secure current customers, and team up with customers to reduce costs and create demands in order to maintain the existing operation foundation. On the other hand, we also need proactively exploit new cooperative relationship with major international companies with a view to expanding the company's sales scale, and increasing momentum of growth. Production-wise, in response to the overall economic situation, the Company will start, one by one, decentralized production in Taiwan, Vietnam, the U.S., etc. by way of improving utilization of the automated production equipment in the coming year in order to meet customers' needs, and join the local production in the U.S. for coping with tariff challenges. I would like to thank all shareholders, customers, and third parties for their support, and also thank all colleagues for their efforts. Our management team will uphold the spirit of unremitting efforts and prudence to create better value for all shareholders. I would also like to ask all shareholders to continue to give the company support and encouragement.

Finally, I would like to wish all shareholders good health and all the best.

## 1. Operating results for 2024:

### (1) Implementation results of the business plan:

Unit: NT\$ thousand

Item	2024	2023	Growth Rate
Net sales	5,922,193	5,328,786	11.14%
Gross profit	1,433,634	1,272,438	12.67%
Operating expenses	729,998	659,798	10.64%
Operating income	703,636	612,640	14.85%
Non-operating income (expenses)	235,724	78,505	200.27%
Net profit before tax	939,360	691,145	35.91%
Net profit after tax	723,444	507,511	42.55%

### (2) Status of budget implementation:

The Company has not compiled the financial forecast for 2024, so it is not applicable.

### (3) Status of financial revenue and expenditure:

Unit: NT\$ thousand

Item	2024	2023	Amount of change
Net cash flows from operating activities (outflow)	152,674	1,497,711	(1,345,194)
Net cash flow from investment activities (outflow)	(630,847)	(286,907)	(343,940)
Net cash inflows from financing activities (outflows)	(225,159)	(875,651)	650,492
Exchange rate impact	177,420	(80,712)	258,289

### (4) Analysis of profitability:

Year	2024	2023
Return on assets (%)	8.32%	6.01%
Return on shareholders' equity (%)	10.60%	7.73%
Ratio of paid-in capital (%)	Operating Margin	51.81%
	Net profit before tax	58.44%
Net profit margin (%)	12.22%	9.52%
Current earning per share (NT\$)(Note)	6.12	4.29

Note: Its earnings per share are calculated based on the number of shares after retrospective adjustment.

### (5) Research and development status:

1. The Company continues to develop power cord connectors and power transmission line products, and applies safety regulations to many countries to expand sales channels, increase business scale, and maintain competitive advantages.
2. At the same time, the Company researches and develops new sockets and switches, and applies for patents in various regions, including a variety of intelligent control switches to improve electricity safety and energy-saving functions.
3. In response to the application development of the Internet of Things (IoT), the Company also develops smart home/security products through remote networks and voice control.
4. In line with the trend of energy saving, carbon reduction and environmental protection, the Company develops electric vehicle wiring harnesses and AC/DC charging connector power cord sets.
5. In terms of low-orbit satellites, network cables for receiving equipment will be developed.

## 2. Outline of business plan for 2025:

### (1) Operating policy:

- A. Business concept: customer satisfaction, harmony between labor and management, benefit sharing, The Company must abide by laws and regulations, fulfill social responsibilities, make profits for shareholders, and create tax revenue.
- B. Corporate culture: To establish a business with integrity, treat people with integrity, gain with labor, get rich with frugality, perfect ourselves and benefit the public.
- C. Quality policy: To seek innovation and change, creative innovation, pursuit of perfection, and achieve perfection.
- D. To continue the rapid development of new products and its production efficiency, strive for international medium and large-scale customers, provide differentiated service values, and create competitive advantages. In addition, use existing resources to span a wider range of related industries, strive for high-margin, high-tech product marketing, and improve operational performance.
- E. To make good use of the overall resources of the group and integrate the capabilities of development, marketing, and manufacturing to meet customer needs and create maximum benefits.

### (2) Expected sales volume and basis:

The Company's products are mainly power connectors for information, electromechanical, home appliances, communications and consumer electronics. With continuous efforts to expand business and develop new products, it is expected that the sales volume of each product will reach a stable trend.

### (3) Important production and marketing strategies:

#### A. Marketing strategy:

- (a) Diversify the development of product lines, through the continuous establishment of One-stop shopping (rich product lines) and Total solution (from low-end to high-end) services to increase sales, and further cultivate existing and potential customers to meet their needs, and continue to develop new products and expand product lines.
- (b) Establish production and manufacturing capabilities in the United States and Vietnam, provide customer service nearby, and increase sales scale.

#### B. Production strategy:

- (a) Continue to strengthen the ability of engineering research and development, quickly develop the products required by customers; master the key core technology, establish the ability of vertical integration of products, and increase the added value of products.
- (b) Replace old equipment, buy new machines and tools to improve production efficiency and quality, and develop automated production equipment to reduce manpower requirements, improve production efficiency, strengthen process management, and stabilize product quality.
- (c) Concentrate on various product development resources and build specialized production plants to reduce production costs.

## 3. Future development strategy:

1. To strive to establish long-term and stable cooperative relations with large international customers and expand customer penetration.
2. Guided by the mainstream consumer products in the market, related power supply products will be developed.
3. To use excellent production technology to develop high-profit and competitive products to diversify different markets.
4. To deploy automation equipment to reduce labor costs, improve production quality, and reduce costs.
5. Spread out production areas to lessen geopolitical impact.

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

1. The impact of geopolitics and tariffs will increase the uncertainty of operating and production costs.
2. Due to the price fluctuations of main raw materials, the profit margin of the product is easily compressed under the market mechanism that cannot fully reflect the cost of materials.
3. Due to the gradual increase in the fluctuation range of international exchange rates, the difficulty of financial operations and the increase in financial costs will easily affect the stability of profits.
4. As climate and environmental changes and requirements of relevant policy and regulations, the difficulty of overall business management was increased.

Chairman: Wu, Jui-Hsiung

General Manager: Wu, Jui-Hsiung

Accountant in charge: Yu, Chia-Te

## II. Corporate Governance Report

### 1. Directors, general managers, deputy general managers, assistant managers, directors of various departments and branches

#### (1) Director Information (1)

April 27, 2025 Unit : thousand shares

Title	Nationality / Place of Incorporation	Name	Gender Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark (note)
							Shares	%	Shares	%	Shares	%	Shares	%			Shares	%	Title	
Chairman	R.O.C.	Yen Ting Investment Co., Ltd.		2023/6/15	3 years	2005/6/30	2,842	2.40%	2,842	2.40%	0	0	0	0	Chairman, WELL SHIN TECHNOLOGY CO., LTD.	(Note 1)				None
	R.O.C.	Legal representative: Wu, Jui-Hsiung	Male Age 61-70				3,884	3.28%	3,763	3.18%	3,415	2.89%	0	0			0	0	Special Assistant to the General Manager's Office General Manager of Kunshan Factory	Wu, Rui-Lian Wu, Rui-Wang
Director	R.O.C.	Cheng Uei Precision Industry Co., Ltd.		2023/6/15	3 years	2005/6/30	22,282	19.61%	22,282	18.84%	0	0	0	0	Department of Accounting, Fu Jen Catholic University Special Assistant, Cheng Uei Precision Industry Co., Ltd.	(Note 2)				None
	R.O.C.	Legal representative: Lin, Kuen-Huang	Male Age 61-70				7	0.01%	7	0.01%	7	0.01%	0	0			0	0	None	None
Director	R.O.C.	Cheng Uei Precision Industry Co., Ltd.		2023/6/15	3 years	2005/6/30	22,282	18.84%	22,282	18.84%	0	0	0	0	Special assistant to Chairman Office, Cheng Uei Precision Industry Co., Ltd.	(Note 3)				None
	R.O.C.	Legal representative: Guo, Shou-Fu	Male Age 31-40				0	0%	0	0%	0	0%	0	0			0	0	None	None
Director	R.O.C.	Cheng Uei Precision Industry Co., Ltd.		2023/6/15	3 years	2005/6/30	22,282	19.61%	22,282	18.84%	0	0	0	0	Special assistant to Chairman Office, Cheng Uei Precision Industry Co., Ltd.	(Note 4)				None
	R.O.C.	Legal representative: Liu, Su-Fang	Female Age 51-60				0	0%	0	0%	0	0%	0	0			0	0	None	None

Title	Nationality / Place of Incorporation	Name	Gender Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark (note)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	R.O.C.	Cheng Uei Precision Industry Co., Ltd.		2023/6/15	3 years	2005/6/30	22,282	19.61%	22,282	18.84%	0	0	0	0						None
	R.O.C.	Legal representative: Lo, Chih-We	Female Age 41-50				1	0	1	0	0	0	0	0	0	0	0	Assistant Manager, Cheng Uei Precision Industry Co., Ltd.	(Note 5)	None
Independent Director	R.O.C.	Li, Hsiao Wen	Male Age 61-70	2023/6/15	3 years	2005/6/30	0	0.00%	0	0.00%	0	0	0	0	Law Department, National Chung Hsing University Lawyer, ECOVIS Taiwan	Lawyer, Minde United Law Firm	None	None	None	None
Independent Director	R.O.C.	Tseng, Chen-Hsien	Male Age 61-70	2023/6/15	3 years	2020/6/24	0	0.00%	0	0.00%	0	0	0	0	Department of Business, National Open University Senior Assistant Manager (Retired), E.SUN BANK	None	None	None	None	None
Independent Director	R.O.C.	Liao, Fu-Lung	Male Age 61-70	2023/6/15	3 years	2020/6/24	0	0.00%	0	0.00%	0	0	0	0	Graduated from Taipei University of Business Senior Assistant Manager (Retired), E.SUN BANK	None	None	None	None	None
Independent Director	R.O.C.	Zhou, Long-Chuan	Male Age 61-70	2023/6/15	3 years	2023/6/15	0	0.00%	0	0.00%	0	0	0	0	Taipei University of Marine Technology Cheng Uei Precision Industry Co., Ltd. Deputy General Manager(Retired)	Supervisor of GreenPower Energy Technology Co., Ltd.	None	None	None	None

Note 1 : Chairman of Yen Ting Investment Co., Ltd., Director of Yanyi Investment Co., Ltd., Currently Chairman and General Manager of Dongguan Well Shin Electronic Products Co., Ltd., Chairman and General Manager of Well Shin Electric (Kunshan) Co., Ltd., Chairman and General Manager of Well Shin Electric (Kunshan) Co., Ltd., Chairman of Smart Think Technology Co., Ltd., Chairman of Great Hero Technology Co., Ltd., Chairman of Power Cord Designing Technology Co., Ltd., Chairman of Best Power Cord Designing Technology Co., Ltd., Chairman of Bright Designing Technology Co., Ltd., Chairman of Wise Giant Co., Ltd., Currently Chairman and General Manager of Dongguan Plugo Electric Co., Ltd.

Note 2 : Special Assistant of Cheng Uei Precision Industry Co., Ltd., Director (Acting) of FOXLINK IMAGE TECHNOLOGY CO., LTD., Chairman (Acting) of MICROLINK COMMUNICATIONS INC., Director of DARTS TECHNOLOGIES CORP., Director (Acting) of STUDIO A INC., Director (Acting) of Central Pictures Corporation, Director (Acting) of Central Motion Arts and Creational Co., Ltd., Director of Central Pictures International Co., Ltd., Chairman (Acting) of Central Motion Management Consulting Co., Ltd., Director (Acting) of DEEPWATERS DIGITAL SUPPORT INC., Director (Acting) of Foxwell Energy Corporation Ltd., Director (Acting) of Trinity Investment Corporation, Director (Acting) of Fresh Air Co., Ltd., Director (Acting) of Fushilin International Investment Co., Chairman (Acting) of Foxwell International Investment Co., Ltd.,

Director of Fulin International Investment Co., Ltd., Chairman (Acting) of Zhengfa International Investment Co., Ltd., Director (Acting) of Taifu International Investment Co., Ltd., Director(Acting) of Fulian International Investment Co., Ltd., Director (Acting) of Zhide International Investment Co., Ltd., Director (Acting) of Foxwell Power Co., Ltd., Director/General Manager of Fugang Electronics (Nanchang) Co., Ltd., Chairman of Dongguan Hanyang Computer Co., Ltd., Director of ENF TECHNOLOGY (Yancheng) CO., LTD., Chairman of Shanghai Fugang Electronics Co., Ltd., Director of CU INTERNATIONAL LTD. , Director of CULINK INTERNATIONAL LTD., Director of NEW START INDUSTRIES LTD. , Director of BENEFIT RIGHT LTD., Director of FOXLINK TECHNOLOGY LIMITED, General Manager of Fushilin Industrial (Tianjing) Co., Ltd., General Manager of Fushiwan Electric Power (Tianjin) Co., Ltd., Vice Chairman of Fugang Electronics (Dongguan) Co., Ltd., Director of Fushineng Electronics (Kunshan) Co., Ltd., Chairman of Fushixiang (Kunshan) Co., Ltd., Chairman of Fuqiang Electronics (Yancheng) Co., Ltd., Chairman of Fuqiang Electronics (Yancheng) Co., Ltd., Chairman of Kunshan Fugang Electronics Co., Ltd., Chairman of Dongguan Fuqiang Electronics Co., Ltd., Director of GLORY TEK (BVI) CO., LTD. , Director of GLORY OPTICS (BVI) CO., LTD., Director of GLORY TEK (SAMOA) CO.,LTD. , Chairman of Guangyao Photoelectric ( Suzhou ) Limited Company, Chairman of RHOSON Optoelectronics (Yancheng) CO., LT., Legal representative of Fuqiang Electronics (Ma On Shan) Co., Ltd., Chairman (Acting) of Dachuan Xuanxiu Creative Arts and Mistakes Co., Ltd., Director (Acting) of Taiwan Star Telecom Corporation Limited, Director (Acting) of Shinfox Energy Co., Ltd., Director (Acting) of VA PRODUCT INC., Legal representative of Dongguan Fuwei Electronics Co., Ltd., Legal representative of Dongguan Fuzhang Precision Industry Co., Ltd., Director of POWER CHANNEL LIMITED, Chairman of Kunshan Fugang Electronics Trading Co., Ltd. Chairman (Acting) of Shengji Music Co., Ltd., Director (Acting) of Straight A Inc. Director (Acting) of Jingjing Technology Co., Ltd., Director of STUDIO A Hong Kong INC., Legal representative of Kunshan Fugang Electronics Co., Ltd., Chairman of GLORY Optics (Yancheng) CO., LTD., Chairman of Yangcheng RHOSON CORPORATIO, Legal representative of Kunshan Fugang Investment Co., Ltd., Director of Kunshan Fushijin Electronics Co., Ltd., Director of FOXLINK TECHNICAL INDIA PRIVATE LIMITED, Chairman (Acting) of Yong Uei Investment Holding Co., Ltd., Supervisor of CYNC DESIGN CO., LTD., Director (Acting) of Wellgen Medical Co., Ltd., Director of FOXLINK INDIA ELECTRIC PRIVATE LIMITED, Director of SINOBEST BROTHERS LIMITED, Director of FOXLINK MYANMAR COMPANY LIMITED, Director (Acting) of Shinfox Natural Gas Co., Ltd., Director (Acting) of SHIH FONG POWER CO., LTD., Legal representative of Fugang Electronics (Ma On Shan) Co., Ltd., Supervisor of Fugang Electronics (Xuzhou) Co., Ltd., Director of GLORYTEK SCIENCE INDIA PRIVATE LIMITED, Director of World Circuit Technology (Hong Kong) Ltd., Director of VALUE SUCCESS LTD., Director of CAPITAL GUARDIAN LTD., Director of ACCU IMAGE TECHNOLOGY LIMITED, Director of ASHOP CO., LTD., Director of Sharetronic Data Technology CO., LTD., Supervisor of Chung Chia Power Co. Ltd., Director (Acting) of Changpin wind power Ltd. Director of CU International LTD.(BVI), Dahua Technology USA Inc. DIRECTOR, FOXLINK DA NANG ELECTRONICS CO., LTD. DIRECTOR, SHINFOX FAR EAST COMPANY PTE LTD. DIRECTOR, Director of FOXLINK TECHNOLOGY LTD., Director of Taiwan Fulin Investment Co., Ltd., Director of EASTERN RAINBOW GREEM ENERGY ENVIRONMENTAL TECHNOLOGY Co., Ltd., Director of LUMINYS SYSTEMS CORP., Director of TEGNA ELECTRONICS PRIVATE LIMITED, Supervisor of Ubilink AI Co., Ltd., Director of Microlink Communications, Inc., Director of Power Quotient Technology (Yancheng) Co., Ltd., Director of Synergy Energy Corporation, and Accountant in charge of World Circuit Technology Co., Ltd.

- Note3: Central Motion Picture USA Corporation DIRECTOR, Legal representative/General Manager of Kunshan Fushijin Electronics Co., Ltd., LUMINYS SYSTEMS CANADA CORPORATION DIRECTOR 、Luminys Systems Corporation DIRECTOR 、Chairman of FOXLINK AUTOMOTIVE TECHNOLOGY Co., Ltd., Director of Changzhou HSING WEI AUTOMOTIVE STARTUP INVESTMENT Ltd., Chairman of CYNC DESIGN Co., Ltd., Director of DEEPWATERS DIGITAL SUPPORT INC., FOXLINK ARIZONA INC. DIRECTOR, Chairman of Taifu International Investment Co., Ltd. Director of Foxlink International Investment Ltd., Director of Fulin International Investment Co., Ltd., Director of Xinhong International Investment Co., Ltd., Chairman of Zhengfa Investment Co., Ltd., Special assistant of Cheng Uei Precision Industry Co., Ltd., General Manager of Power Quotient International Co., Ltd., and Director of Ubilink AI Co., Ltd.
- Note 4: Special Assistant to Chairman's Office of Cheng Uei Precision Industry Co., Ltd., Chairman (Acting) of DARTS TECHNOLOGIES CORPORATION, Chairman (Acting) of WORLD CIRCUIT TECHNOLOGY CO., LTD., Director (Acting) of MICROLIN, Director K COMMUNICATIONS INC., Director (Acting) of VA PRODUCT INC., Chairman (Acting) of FOXLINK TAIWAN INDUSTRY CO., LTD., Director (Acting) of Zhide International Investment Co., Ltd., (Acting) of POWER SUFFICIENT INTERNATIONAL CO., LTD., Director (Acting) of NANOSHIELD TECHNOLOGY CO., LTD., Director (Acting) of Foxwell Power Co., Ltd., Director (Acting) of Zhengfa International Investment Co., Ltd., Director of POWER QUOTIENT INTERNATONAL CO.,LTD. , Director (Acting) of POWER QUOTIENT TECHNOLOGY (Yancheng) Co., Ltd. 、Director (Acting) of Fushilin International Investment Co., Ltd., Legal representative of Jiangsu Cheng Uei New Energy Technology Co., Ltd., Supervisor of POWER QUOTIENT Xuzhou New Energy Co., Ltd., Director of Sinocity Industries Limited (Macau), Director of SYSCOM DEVELOPMENT CO.,LTD., Director of PQI JAPAN CO.,LTD. , Director of SINOCITY INDUSTRIES LIMITED, Director of APIX LIMITED, Director of FOXLINK POWERBANK INTERNATIONAL TECHNOLOGY PRIVATE LIMITED DIRECTOR 、PERENNIAL ACE LIMITED, and SOLTERAS LTD.DIRECTOR 、SYSCOM DEVELOPMENT CO., LTD. DIRECTOR

Note 5: Associate Manager of Cheng Uei Precision Industry Co., Ltd., Director of Taiwan Fulin Investment Co., Ltd.

Note 6: If the chairman and the general manager or equivalent (top manager) are the same person, spouses or first-degree relatives, it is necessary to explain the reasons, rationality, necessity and countermeasures (such as increasing the number of independent directors, and more than half of the directors should not concurrently serve as employees or managers, etc.) and other information:

The chairman of the company serves as the general manager to improve operating efficiency and decision-making execution ability, but in order to strengthen the independence of the Board of Directors, the company is actively training suitable candidates. In addition, the chairman usually communicates closely with the directors on the company's current operating conditions and plans to implement governance. In the future, it plans to increase the number of independent directors to enhance the board's functions and strengthen its supervisory functions. The following specific measures are currently in place:

1. The current three independent directors are specialized in the fields of financial, accounting and law, and can effectively perform the supervisory function.
2. Every year, all directors are arranged to participate in professional director courses provided by external institutions such as Securities & Futures Institute to enhance the operational efficiency of the Board of Directors.
3. Independent directors can fully discuss and recommend to the Board of Directors in the functional committee to implement corporate governance.
4. More than half of the directors of the Board of Directors do not concurrently serve as employees or managers of the company.

(1) Major shareholders of legal person shareholders:

April 27, 2025

Name of Institutional Shareholders	Major Shareholders
Yen Ting Investment Co., Ltd. Cheng Uei Precision Industry Co., Ltd.	Wu, Yan-Ting (46.21%), Wu, Jui-Hsiung (19.38%), Shi Mingji (19.38%), Wu, Yan-Yi(15.03) Xinhong International Investment Co., Ltd. (19.62%)

(2) If the major shareholder is a legal person, the name of the major shareholder

April 27, 2025

Name of Institutional Shareholders	Major Shareholders
Xinhong International Investment Co., Ltd.	British Virgin Islands Merchant-PILOT VIEW LIMITED (84.71%)、Guo Taiqiang (10.14%)、Luo Yuzhen (3.01%)

## Director Information (2)

### (1) Information disclosure on the professional qualifications of directors and the independence of independent directors:

Criteria Name	Professional Qualification and Experiences (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
<b>Chairman Wu, Jui-Hsiung</b>	Has more than five years of working experience required by the Company's business and is currently serving as the chairman and general manager of Well Shin Technology Co., Ltd. None of the circumstances specified in Article 30 of the Company Act.	(1) Not a director (director), supervisor (supervisor), manager, or shareholder holding more than 5% of the shares of a specific company or institution that has financial or business dealings with the company. (2) Professionals, sole proprietorships, partnerships, business owners, partners, directors (members), supervisors (auditors), managers and their spouses of companies and institutions who have not provided auditing for the Company or affiliates or received remuneration in the last two years for business, legal, financial, accounting and other services. (3) No spouse or relative within the second degree of relationship with other directors. (4) None of the conditions specified in Article 30 of the Company Act. (5) There is no election of the government, legal person or its representative as stipulated in Article 27 of the Company Act.	None
<b>Director Lin, Kuen-Huang</b>	Has more than five years of work experience required by the Company's business, and worked as special assistant at Cheng Uei Precision Industry Co., Ltd. And there is no one of the conditions stipulated in Article 30 of the Company Act.	(1) Non-self and their spouses, minor children, or natural person shareholders who hold more than 1% of the Company's total issued shares in the name of others or hold shares in the top ten. (2) Directors (councilors), supervisors (auditors) or employees of other companies or organizations who are not the same person or spouse as the chairman, general manager or equivalent of the Company. (3) Professionals, sole proprietorships, partnerships, business owners, partners, directors (members), supervisors (auditors), managers and their spouses of companies and institutions who have not provided auditing for the Company or affiliates or received remuneration in the last two years for business, legal, financial, accounting and other services. (4) No spouse or relative within the second degree of relationship with other directors. (5) None of the conditions specified in Article 30 of the Company Act.	None
<b>Director Guo, Shou-Fu</b>	Has more than five years of work experience required by the Company's business, and worked as special assistant at Cheng Uei Precision Industry Co., Ltd. And there is no one of the conditions stipulated in Article 30 of the Company Act.	(1) Non-self and their spouses, minor children, or natural person shareholders who hold more than 1% of the Company's total issued shares in the name of others or hold shares in the top ten. (2) Directors (councilors), supervisors (auditors) or employees of other companies or organizations who are not the same person or spouse as the chairman, general manager or equivalent of the Company. (3) Professionals, sole proprietorships, partnerships, business owners, partners, directors (members), supervisors (auditors), managers and their spouses of companies and institutions who have not provided auditing for the Company or affiliates or received remuneration in the last two years for business, legal, financial, accounting and other services. (4) No spouse or relative within the second degree of relationship with other directors. (5) None of the conditions specified in Article 30 of the Company Act.	
<b>Director Liu, Su-Fang</b>	Has more than five years of work experience required by the Company's business, and worked as special assistant at the Chairman Office of Cheng Uei Precision Industry Co., Ltd. And there is no one of the conditions stipulated in Article 30 of the Company Act.	(1) Non-self and their spouses, minor children, or natural person shareholders who hold more than 1% of the Company's total issued shares in the name of others or hold shares in the top ten. (2) Not being the same person as the chairman, general manager or equivalent of the company, or a director (member), supervisor (auditor) or employee of another company or institution of the spouse. (3) Professionals, sole proprietorships, partnerships, business owners, partners, directors (members), supervisors (auditors), managers and their spouses of companies and institutions who have not provided auditing for the Company or affiliates or received remuneration in the last two years for business, legal, financial, accounting and other services. (4) No spouse or relative within the second degree of relationship with other directors. (5) None of the conditions specified in Article 30 of the Company Act.	None
<b>Director Lo, Chih-We</b>	Has more than five years of work experience required by the Company's business, and worked as assistant manager at Cheng Uei Precision Industry Co., Ltd. And there is no one of the conditions stipulated in Article 30 of the Company Act.	(1) Non-self and their spouses, minor children, or natural person shareholders who hold more than 1% of the Company's total issued shares in the name of others or hold shares in the top ten. (2) Not being the same person as the chairman, general manager or equivalent of the company, or a director (member), supervisor (auditor) or employee of another company or institution of the spouse. (3) Professionals, sole proprietorships, partnerships, business owners, partners, directors (members), supervisors (auditors), managers and their spouses of companies and institutions who have not provided auditing for the Company or affiliates or received remuneration in the last two years for business, legal, financial, accounting and other services. (4) No spouse or relative within the second degree of relationship with other directors. (5) None of the conditions specified in Article 30 of the Company Act.	None
<b>Independent Director Li, Hsiao Wen</b>	Has more than five years of working experience required by the Company's business. Graduated from the Law Department of National Chung Hsing University, and worked as a lawyer at Minde United Law Firm and did not have one of the conditions stipulated in Article 30 of the Company Act.	(1) Non-employees of the Company or its affiliates. (2) Not a director or supervisor of the Company or its affiliates. (3) Non-self and their spouses, minor children, or natural person shareholders who hold more than 1% of the Company's total issued shares in the name of others or hold shares in the top ten. (4) Not the spouse, relative within the second degree or immediate blood relative within the third degree of the manager listed in (1) or the personnel listed in (2) and (3). (5) Not directors and supervisors of legal person shareholders who directly hold more than 5% of the Company's total issued shares, are among the top five shareholders, nor designate representatives to serve as company directors, supervisors or employees in accordance with Article 27, Item 1 or Item 2 of the Company Act. (6) Not directors, supervisors or employees of	None

Independent Director Tseng, Chen-Hsien	Has more than five years of working experience required by the Company's business. Graduated from the Department of Commerce of National Open University, and used to work as senior assistant manager of E.Sun Bank. He is now retired, and there is no one of the conditions stipulated in Article 30 of the Company Act.	other companies controlled by the same person as the directors of the Company or more than half of the shares with voting rights. (7) Not a director (member), supervisor (auditor), or employee of another company or institution that is not the same person or spouse as the chairman, general manager, or equivalent of the Company. (8) Not a director (member), supervisor (auditor), manager, or shareholder holding more than 5% of the shares of a specific company or institution that has financial or business dealings with the Company. (9) Professionals, sole proprietorships, partnerships, business owners, partners, directors (members), supervisors (auditors), managers and their spouses of companies and institutions who have not provided auditing for the Company or affiliates or received remuneration in the last two years for business, legal, financial, accounting and other services. (10) No spouse or relative within the second degree of relationship with other directors. (11) None of the conditions specified in Article 30 of the Company Act. (12) Not Article 27 of the Company Act stipulates that the government, legal person or its representative shall be elected.	None
Independent Director Liao, Fu-Lung	Has more than five years of working experience required by the Company's business. Graduated from Taipei University of Business, and once worked as senior assistant manager at E.Sun Bank. He is now retired and has no one of the conditions stipulated in Article 30 of the Company Act.		1
Independent Director Zhou, Long-Chuan	Has more than five years of working experience required by the Company's business. Graduated from Taipei University of Marine Technology, and once worked Hon Hai precision and Cheng Uei Precision. He is now retired and has no one of the conditions stipulated in Article 30 of the Company Act.		

Note: According to the review criteria for listed companies and the establishment of independent directors of public companies and matters to be followed, the Company has obtained independent directors' declarations of independence and confirmed that they all meet the independence qualification requirements stipulated by laws and regulations.

## (2) Diversity and independence of the Board of Directors:

A. Diversity of the Board of Directors: Based on the diversification policy and the strengthening of corporate governance and the promotion of sound development of the composition and structure of the Board of Directors, the nomination of director candidates of the Company follows the provisions of its Articles of Association and adopts a candidate nomination system to evaluate the knowledge and experience qualifications of each candidate, measuring their professional background, integrity or relevant professional qualifications, etc. After the resolution of the Board of Directors is passed, it will be submitted to the Shareholders' Meeting for approval. The composition of the Board of Directors shall not exceed one-third of the directors who concurrently serve as the Company's managers, and shall formulate appropriate diversification policies based on its own operations, business model and development needs, including but not limited to the following:

- a. Basic conditions and values: gender, age, nationality and culture.
- b. Professional knowledge and skills: business judgment ability, accounting and financial analysis ability, business management ability, crisis handling ability, industry knowledge, international market outlook, leadership ability and decision-making ability. The current board of directors of the company is composed of nine directors. The specific management objectives and achievement of the diversity policy are as follows:

Management objectives	Achievement
The number of independent directors exceeds one-third of the number of directors.	Achieved
Directors who concurrently serve as company managers should not exceed one-third of the directors' seats.	Achieved
Board members should include at least one female.	Achieved
Sufficient and diversified professional knowledge and skills	Achieved

c. The number of directors in either gender in the Company's Board of Directors is below one third. Reasons and measures adopted to improve diversification of the Board of Directors, as planned, are as follows:

The Company has already two female directors, accounting for 22.22% of the directors. In consideration of gender equality, we plan in the future to increase the number of female directors at the next time of director reelection in order to meet the requirement that the number of directors in either gender in the board of directors reaches one third.

The implementation of the board diversity policy is as follows:

Name		Diversified core		Basic component					Professional background				Professional knowledge and skills							
		Nationality	Gender	Employee status	Age				Independent director's term of office (less than 3 years)	Accounting	Industry	Finance	Technology	Operational Judgment	Management ability	Leadership decision-making	Crisis handling ability	Industry knowledge	International Market View	Law
					Age 41-50	Age 41-50	Age 51-60	Age 61-70												
Director	Yen Ting Investment Co., Ltd. Legal Representative: Wu, Jui-Hsiung	R.O.C.	Male	✓			✓			✓		✓	✓	✓	✓	✓	✓	✓		
	Cheng Uei Precision Industry Co., Ltd. Legal Representative: Lin, Kuen-Huang		Male			✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Cheng Uei Precision Industry Co., Ltd. Legal Representative: Guo, Shou-Fu		Male		✓					✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Cheng Uei Precision Industry Co., Ltd. Legal Representative: Liu, Su-Fang		Female				✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Cheng Uei Precision Industry Co., Ltd. Legal Representative: Lo, Chih-We		Female			✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Independent Director	Li, Hsiao Wen		Male				✓			✓		✓	✓	✓	✓	✓	✓	✓	✓	
	Tseng, Chen-Hsien		Male				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
	Liao, Fu-Lung		Male				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
	Zhou, Long-Chuan		Male				✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓		

B. Independence of the Board of Directors: The Company's Board of Directors has now nine members, including four independent directors and one director with employee status (respectively accounting for 44.44% and 11.11% of all directors). By the end of 2024, all independent directors are in compliance with the regulations of the Securities and Futures Bureau of the Financial Regulatory Commission on independent directors. In addition, there are no incidents in items 3 and 4 of Article 26-3 of the Securities and Exchange Act between directors and independent directors. The Company's Board of Directors is independent (please refer to pages 12-13 of this annual report - professional qualifications of directors and information disclosure on the independence of independent directors), the educational background, gender and work experience of each director (please refer to pages 9-11 of this annual report - Director Information).

## (2) Information on the general manager, deputy general manager, associate managers, and supervisors of various departments and branches

April 27, 2025 Unit: thousand shares

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience ( Education )	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Degree	
General Manager	R.O.C.	Wu, Jui-Hsiung	Male	2002/11/01	3,884	3.28%	3,417	2.89%	0	0	Chairman, Well Shin Technology Co., Ltd.	(Note 1)	Special Assistant to the General Manager's Office General Manager of Kunshan Factory	Wu, Rui-Lian	second degree	(Note 2)
Special Assistant to the General Manager's Office	R.O.C.	Wu, Rui-Lian	Male	2020/7/22	458	0.39%	734	0.62%	0	0	Graduated from National United University Business Director of Sampo Co., Ltd. Associate Manager, Well Shin Technology Co., Ltd.	Chairman, Jilian Investment Co., Ltd.	Chairman of Kunshan Factory	Wu, Jui-Hsiung	second degree	None
General Manager of Kunshan Electronics Factory	R.O.C.	Wu, Rui-Wang	Male	2002/11/01	381	0.32%	185	0.16%	0	0	Graduated from National Taipei University of Technology Manager, Well Shin Technology Co., Ltd.	Director, Wei Yin Investment Co., Ltd. Director and Factory General Manager of Well Shin Electric (Kunshan) Co., Ltd. Director and Factory General Manager of Well Shin Electric (Kunshan) Co., Ltd.	Chairman Special Assistant to the General Manager's Office	Wu, Jui-Hsiung	second degree	None
General Manager of Changhua Factory	R.O.C.	Wu, Jian-Te	Male	2023/5/11	330	0.28%	341	0.29%	0	0	Graduated from Chung Chou University of Science and Technology Special Assistant to Changhua Factory of Well Shin Technology Co., Ltd.					None
Associate Manager	R.O.C.	Liao, Hui-Ren	Male	2018/01/01	1	0.00%	0	0	0	0	Master of International Business Administration, National Chengchi University Well Shin Technology Co., Ltd.					None
Accounting Associate Manager	R.O.C.	Yu, Chia-Te	Male	2003/01/01	260	0.22%	0	0	0	0	Graduated from Department of Accounting, Tunghai University Assistant Manager, PwC Taiwan Project Manager, Cheng Uei Precision Industry Co., Ltd.	Chairman, WELL SHIN ELECTRONIC VIETNAM CO., LTD.				None
Information Associate Manager	R.O.C.	Chen, Shu-Juan	Female	2003/01/01	286	0.24%	0	0.00%	0	0	Graduated from Department of Computer Science, Ming Chuan School of Management Section Chief, HON HAI PRECISION INDUSTRY CO., LTD. Manager, Nucam Corporation					None
Financial Associate Manager	R.O.C.	Zhou, Huang-Qing	Male	2005/03/01	338	0.29%	7	0.01%	0	0	Graduated from Department of Accounting, Cultural University Business Assistant Manager, Dah-An Commercial Bank Associate Manager, Nucam Corporation					None

Note 1: Chairman of Yanting Investment (Shares) Company, Director of Yanyi Investment (Shares) Company, Chairman and General Manager of Dongguan Well Shin Electronic Products Co., Ltd., Chairman and General Manager of Well Shin Electric (Kunshan) Co., Ltd., Well Shin Electric (Kunshan) Co., Ltd. Chairman and General Manager, Smart Think Technology Co., Ltd. Chairman, Great Hero Technology Co., Ltd. Chairman, Power Cord Designing Technology Co., Ltd. Chairman, Best Power Cord Designing Technology Co., Ltd. Chairman, Bright Designing Technology Co., Ltd. Chairman, Chairman, Wise Giant Co., Ltd. Chairman and General Manager, Dongguan Plugo Electric Co., Ltd.

Note 2: If the chairman and the general manager or their equivalent (top manager) are the same person, spouses or first-degree relatives, they must explain the reasons, rationality, necessity and countermeasures (such as increasing the number of independent directors, and there should be more than half of the directors not concurrently serving as employees or managers) and other relevant information:

The chairman of the Company concurrently serves as the general manager to improve operating efficiency and decision-making execution ability, but in order to strengthen the independence of the Board of Directors, the Company also actively trains suitable candidates within the Company. In addition, the chairman also communicates closely with the directors on the current status of the Company's operations and plans to implement corporate governance. In the future, the Company plans to increase the number of independent directors to enhance the functions of the Board of Directors and strengthen the supervision function. At present, the Company has the following specific measures:

1. Three of current independent directors are respectively specialized in the fields of financial accounting and law, and can effectively perform their supervisory functions.
2. Arrange for each director to participate in professional director courses provided by external institutions such as SFC every year, so as to enhance the operational efficiency of the Board of Directors.
3. Independent directors can fully discuss in the functional committees and put forward suggestions for the reference of the Board of Directors to implement corporate governance.
4. More than half of the directors of the Board of Directors do not concurrently serve as employees or managers of the Company.

2. Remuneration paid to directors, supervisors, general manager and deputy general manager in the most recent year

(1) 1. Remuneration of directors and independent directors

Unit: NT\$ thousand; thousand shares

Title	Name	Remuneration								Ratio of total amount of (A+B+C+D) vs Net profit after tax		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of total amount of (A+B+C+D+E+F+G) vs Net profit after tax		Remuneration from ventures other than subsidiaries or from the parent company
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G) (Note 3)						
		The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
Chairman	Wu, Jui-Hsiung (Note 1)	0	0	0	0	0	0	0	0	0	0	4,918	6,439	108 (note4)	108 (note4)	3,100	0	3,100	0	8,126; 1.12%	9,647; 1.33%	None
Director	Lin, Kuen-Huang (Note 2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
Director	Guo, Shou-Fu (Note2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
Director	Liu, Su-Fang (Note 2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
Director	Lo, Chih-We (Note 2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
Independent Director	Li, Hsiao Wen	0	0	0	0	281	281	0	0	281; 0.04%	281; 0.04%	0	0	0	0	0	0	0	0	281; 0.04%	281; 0.04%	None
Independent Director	Tseng, Chen-Hsien	0	0	0	0	281	281	0	0	281; 0.04%	281; 0.04%	0	0	0	0	0	0	0	0	281; 0.04%	281; 0.04%	None
Independent Director	Liao, Fu-Lung	0	0	0	0	281	281	0	0	281; 0.04%	281; 0.04%	0	0	0	0	0	0	0	0	281; 0.04%	281; 0.04%	None
Independent Director	Zhou, Long-Chuan	0	0	0	0	281	281	0	0	281; 0.04%	281; 0.04%	0	0	0	0	0	0	0	0	281; 0.04%	281; 0.04%	None

1. Please state 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 providing consulting services as a non-employee of parent company consolidated entities/non-consolidated affiliates) : Nil.

Note 1: The legal representative of Yanting Investment (Shares) Company.

Note 2: The legal representative of Cheng Uei Precision Industry Co., Ltd.

Note 3: The remuneration distribution in 2024 is a provisional estimate (it is estimated based on the distribution ratio in 2023).

Note 4: The Company has no actual payment amount in 2024, all of which are allocated amount.

## 2. Remuneration for manager and deputy general manager

Unit: NT\$ thousand; thousand shares

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D) (Note 1)				Ratio of total compensation (A+B+C+D) to net income (%)		Remuneration from ventures other than subsidiaries or from the parent company
		The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
General Manager	Wu, Jui-Hsiung	4,291	5,812	108 (Note 2)	108 (Note 2)	627	627	3,100	0	3,100	0	8,126 1.12%	9,647 1.33%	None
Special Assistant to the General Manager's Office	Wu, Rui-Lian	2,885	2,885	216	216	417	417	1,880	0	1,880	0	5,398 0.75%	5,398 0.75%	None
Kunshan Electronics Factory General Manager	Wu, Rui-Wang	2,847	3,772	53 (Note 2)	53 (Note 2)	417	417	2,000	0	2,000	0	5,317 0.73%	6,242 0.86%	None

Note 1: The remuneration distribution in 2024 is a provisional estimate (it is estimated based on the distribution ratio in 2023).

Note 2: The Company has no actual payment amount in 2024, all of which are allocated amount.

## 3. The remuneration of the top five highest paid executives of listed OTC companies

Unit: NT\$ thousand; thousand shares

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D) (Note 1)				Ratio of total compensation (A+B+C+D) to net income (%)		Remuneration from ventures other than subsidiaries or from the parent company
		The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
General Manager	Wu, Jui-Hsiung	4,291	5,812	108 (Note 2)	108 (Note 2)	627	627	3,100	0	3,100	0	8,126 1.12%	9,647 1.33%	None
Special Assistant to the General Manager's Office	Wu, Rui-Lian	2,885	2,885	216	216	417	417	1,880	0	1,880	0	5,398 0.75%	5,398 0.75%	None
Kunshan Electronics Factory General Manager	Wu, Rui-Wang	2,847	3,772	53 (Note 2)	53 (Note 2)	417	417	2,000	0	2,000	0	5,317 0.73%	6,242 0.86%	None
Factory General Manager of Changhu	Wu, Jian, Te	2,185	2,185	216 (Note 2)	216 (Note 2)	239	239	1,200	0	1,200	0	3,840 0.53%	3,840 0.53%	None
Accounting Associate Manager	Yu, Chia-Te	1,853	1,853	211	211	274	274	1,525	0	1,525	0	3,863 0.53%	3,863 0.53%	None

Note 1: The remuneration distribution in 2024 is a provisional estimate (it is estimated based on the distribution ratio in 2023).

Note 2: The Company has no actual payment amount in 2024, all of which are allocated amount.

3. The name of the manager and the distribution of employee remuneration

December 31, 2024 ; Unit: NT\$ thousand

	Title	Name	Stock Amount	Cash Amount	Total	Proportion of total amount to net profit after tax (%)
Manager	General Manager	Wu, Jui-Hsiung	0	14,080 (Note 1)	14,080 (Note 1)	1.95%
	Special Assistant to the General Manager's Office	Wu, Rui-Lian				
	General Manager of Kunshan Electronics Factory	Wu, Rui-Wang				
	General Manager of Changhua Factory	Wu, Jian-Te				
	Associate Manager	Zhou, Huang-Qing				
	Associate Manager	Yu, Chia-Te				
	Associate Manager	Chen, Shu-Juan				
	Associate Manager	Liao, Hui-Ren				

Note 1: The remuneration distribution in 2024 is a provisional estimate (it is estimated based on the distribution ratio in 2023).

(2) Analysis and comparison explaining the proportion of the total amount of remuneration paid to the Company's directors, general manager and deputy general managers in the last two years by the Company and all companies in its consolidated statements to the after-tax net profit, and explaining the policy, standard, combination, and setting of the remuneration paid procedures for determining remuneration, its relationship with business performance and future risks.

(1) The ratio of the total amount of remuneration paid to the Company's directors, general manager and deputy general managers in the last two years by the Company and all companies in the consolidated statement to the after-tax profit of individual or individual financial reports.

Unit: NT\$ thousand

Identity	Year	2023 (Note 1)		2024 (Note 1)	
		Total remuneration	Proportion of total amount to net profit after tax (%)	Total remuneration	Proportion of total amount to net profit after tax (%)
Directors (The Company and Consolidated Statements)		1,077	0.21%	1,124	0.16%
General Manager and Deputy General Manager of the Company		22,445	4.42%	22,681	3.14%
Consolidated statement general manager and deputy general manager		24,591	4.85%	25,127	3.47%

Note 1: 2023 shown in this table refers to the distribution of surplus in 2023, which will be distributed in 2024; the remuneration in 2024 is a provisional figure (estimated based on the estimated distribution ratio in 2023).

Note 2: The company has set up an audit committee to replace the power of the supervisor, so there is no remuneration for the supervisor.

(2) From the above table, it can be seen that the total amount of remuneration paid to directors, general managers and deputy general managers by the Company and its consolidated statements in the last two years accounted for a relatively equal proportion of after-tax net profit in individual or individual financial reports, and there was no obvious fluctuation.

(3) The remuneration payment policy, standard and combination of directors and managers of the Company, and its relevance to business performance and future risks:

The Company's remuneration paid to directors in 2023 and 2024 is clearly stipulated in its articles of association. In 2023 and 2024, it will be resolved by the board meeting and reported at the annual Shareholders' Meeting. The remuneration of the general manager and deputy general manager is determined by the Company's board meeting and in accordance with its salary management regulations.

Since the establishment of the Company's Remuneration Committee in December 2011, the remuneration for directors, managers, and employees has been determined based on the following key performance evaluation criteria. These criteria must be reviewed by the Remuneration Committee and submitted to the Board of Directors for approval.

Key Performance Evaluation Criteria
1. Achievement of Work Performance Indicators: Includes metrics such as performance achievement, cost and expense control, and production achievement rate.
2. Annual Work Results Report: Covers the year's work results, unmet objectives for the year, and work plans for the following year.
3. Values and Leadership Abilities: Encompasses communication and coordination skills, leadership and planning abilities, and cost awareness.

### 3. Situation of corporate governance operation

#### (1) Operation of the Board of Directors:

The Board of Directors held eight meetings (A) in the most recent year, and the attendance of directors is as follows:

Title	Name	Actual number of attendances (B)	Number of delegated attendance	Actual attendance rate (%) (B/A)	Note
Chairman	Representative of Yen Ting Investment Co., Ltd.: Wu, Jui-Hsiung	8	0	100%	
Director	Representative of Cheng Uei Precision Industry Co., Ltd.: Lin, Kuen-Huang	8	0	100%	
Director	Representative of Cheng Uei Precision Industry Co., Ltd: Guo, Shou-Fu	5	3	62.50%	
Director	Representative of Cheng Uei Precision Industry Co., Ltd.:Liu, Su-Fang	3	5	37.50%	
Director	Representative of Cheng Uei Precision Industry Co., Ltd.: Lo, Chih-We	8	0	100%	
Independent Director	Li, Hsiao Wen	8	0	100%	
Independent Director	Tseng, Chen-Hsien	8	0	100%	
Independent Director	Liao, Fu-Lung	7	1	87.50%	
Independent Director	Zhou, Long-Chuan	7	1	87.50%	

Other matters to be recorded:

- If one of the following situations is found in the operation of the Board of Directors, the date, period, content of the proposal, opinions of all independent directors and the Company's handling of the opinions of independent directors shall be stated:
  - Items listed in Article 14-3 of the Securities Exchange Act: Please see [Explanation 1](#).
  - Except for the above-mentioned matters, other resolutions of the Board of Directors that have been opposed or reserved by independent directors and have records or written statements: None.
- The implementation of the recusal by directors of the proposals related to their interests shall state the name of the directors, the content of the proposals, the reasons for the recusal of the interests of directors, and the status of participation in voting: Please see [Explanation 2](#).
- Listed OTC companies should disclose information such as the evaluation cycle and period, evaluation scope, method, and evaluation content of the Board of Directors' self-evaluation (or among peers), and fill in Attachment (2) implementation status of board evaluation: Please see [Explanation 3](#).
- Evaluation of the objectives of strengthening the functions of the Board of Directors in the current year and the most recent year (such as establishing an audit committee, improving information transparency, etc.) and their implementation: Please see [Explanation 4](#).

Explanation 1:

(1) Matters listed in Article 14-3 of the Securities and Exchange Act:

Board of Directors	Proposal content and follow-up processing	Matters listed in Article 14-3 of the Securities and Exchange Act:	Independent directors hold their objections or reservations
2024.03.15 The 1 <sup>st</sup> Board meeting in 2024	1. Proposal on the method and amount of remuneration for employees, directors and supervisors in 2023.	V	None
	Opinions of independent directors: None		
	The Company's handling of opinions of independent directors: None		
	Resolution result: All directors present agreed to pass the resolution.		
2024.05.10 The 2 <sup>nd</sup> Board meeting in 2024	1. Proposal of replacement of CPAs due to internal rotation of the accounting firm.	V	None
	Opinions of independent directors: None		
	The Company's handling of opinions of independent directors: None		
	Resolution result: All directors present agreed to pass the resolution.		
2024.08.12 The 4 <sup>th</sup> Board meeting in 2024	1. In order to establish a base suitable for production in the U.S. in response to needs for operation development, it is proposed to authorize the chairman to purchase the real estate in the U.S. within the amount of US\$20 million.	V	None
	2. Due to needs for purchase of real estate, a 100% sub-subsidiary of the Company's reinvestment, intends to apply for a short-term financing from the Company in the amount of US\$16 million.	V	None
	3. Due to business and capital turnover needs, CONNTEK INTEGRATED SOLUTIONS INC., a 100% sub-subsidiary of the Company's reinvestment, intends to apply for financing from the Company in the amount of US\$2.3 million.	V	None
	Opinions of independent directors: None		
	The Company's handling of opinions of independent directors: None		
	Resolution result: All directors present agreed to pass the resolution.		
2024.10.09 The 5 <sup>th</sup> Board meeting in 2024	1. The Company intends to set up a subsidiary (name of the company undecided) in Vietnam in the investment amount of US\$10.5 million.	V	None
	Opinions of independent directors: None		
	The Company's handling of opinions of independent directors: None		
	Resolution result: All directors present agreed to pass the resolution.		
2024.11.11 The 6 <sup>th</sup> Board meeting in 2024	1. Proposal of establishment of the sustainable development committee and its articles of association.	V	None
	2. Due to business and capital turnover needs, CONNTEK INTEGRATED SOLUTIONS INC., a 100% sub-subsidiary of the Company's reinvestment, intends to apply for financing from the Company in the amount of US\$2.5 million.	V	None
	3. Due to business and capital turnover needs, CONNTEK INTEGRATED SOLUTIONS INC., a 100% sub-subsidiary of the Company's reinvestment, intends to provide financing endorsement/guarantee for applying for financing from Cathay United Bank in the limit amount of US\$5 million.	V	None
	4. Proposed a remuneration distribution plan for directors and managers in 2023.	V	None
	5. Discussed the year-end bonus payment case for the managers of the Company.	V	None
	Opinions of independent directors: None		
	The Company's handling of opinions of independent directors: None		
	Resolution result: Regarding items 4 and 5, except that Chairman Wu, Jui-Hsiung did not participate in the discussion of this case due to his avoidance of interests. After the acting chairman consulted all the directors remuneration committees present, it was passed without objection.		
2025.03.06 The 1 <sup>st</sup> Board meeting in 2025	1. Reported the Company's purchase of the factory building at Xiding Rd., Xizi Dist., New Taipei City; this proposal was carried out subject to the Company's management procedure of acquisition or disposal of assets, and submitted to the Board of Directors for reference.	V	None
	2. Discussed increase of the investment amount up to US\$30 million for WELL SHIN INDUSTRIES CORP., a 100% subsidiary of the Company's Reinvestment.	V	None
	3. Discussed establishment of a production and operation base in Texas, USA in Response to the investment and operation plan of the U.S. subsidiary, WELL SHIN INDUSTRIES CORP.; it was proposed that the said company purchased	V	None

	the factory building and office premises in the amount of US\$19.8 million.		
	4. Discussed the proposal of WELL SHIN INDUSTRIES CORP., a 100% subsidiary of the Company's reinvestment, to apply for financing from CISKO LLC, a 100% sub-subsidiary of the Company's reinvestment.	V	None
	5. Discussed the proposal of CONNTEK INTEGRATED SOLUTIONS INC., a 100% grandson subsidiary of the Company's reinvestment, to request the Company for providing financing endorsement/guarantee in order to apply for the financing credit limit from the bank.	V	None
	Opinions of independent directors: None		
	The Company's handling of opinions of independent directors: None		
	Resolution result: All directors present agreed to pass the resolution.		
2025.03.13 The 2 <sup>nd</sup> Board meeting in 2025	1. Proposal on the method and amount of remuneration for employees, directors and supervisors in 2024.	V	None
	2. Well Shin Electronic (Kunshan) Co., Ltd., a 100% company of the Company's reinvestment, engaged others to build the factory buildings on its own land.	V	None
	3. Proposal of amendment of "Articles of Association".	V	None
	Opinions of independent directors: None		
	The Company's handling of opinions of independent directors: None		
	Resolution result: All directors present agreed to pass the resolution.		

Explanation 2 :

The implementation of the recusal by the directors of the proposals related to their interests shall state the name of the directors, the content of the proposals, the reasons for the recusal of the interests of the directors, and the status of participation in voting:

Board meeting	Proposal content and reasons for avoiding interests	Recused director's name	Name of directors participating in voting	Situation of recusal of directors from proposals related to their interests	Participation in voting
2024.11.11 The 6 <sup>th</sup> Board meeting in 2024	<p>Proposal content:</p> <ol style="list-style-type: none"> <li>Proposed remuneration distribution for directors and managers in 2023.</li> <li>Discussed the year-end bonus payment case for the managers of the company.</li> </ol> <p>Reasons to avoid: Director Wu, Jui-Hsiung has the identity of an employee, and the remuneration of directors and supervisors, the distribution of employee remuneration, and the payment of year-end bonuses to managers are matters involving his own interests, so he should avoid discussion and voting according to law.</p>	Wu, Jui-Hsiung	Lin, Kuen-Huang Liu, Su-Fang Lo, Chih-We Li, Hsiao Wen Tseng, Chen-Hsien Liao, Fu-Lung	Since Wu, Jui-Hsiung had his own interests in these two proposals, he avoided participating in the discussion and voting on these two proposals. After the acting chairman consulted with all the remaining directors present, they passed the proposal without objection.	Since Wu, Jui-Hsiung had his own interests in these two proposals, he avoided participating in the discussion and voting on these two proposals. After the acting chairman consulted with all the remaining directors present, they passed the proposal without objection.

Explanation 3 :

Information about the evaluation cycle and period, evaluation scope, method and evaluation content of the Board of Director's self-evaluation (or among peers):

Implementation status of board evaluation:

Item	Explanation
Evaluation cycle	Once a year
Evaluation period	2024/1/1 - 2024/12/31
Evaluation scope	Performance appraisal of the Board of Directors, board member appraisal, performance appraisal of functional committees
Evaluation method	The performance appraisal of the board of directors is self-evaluated by each director in the form of questionnaires.
Evaluation content	(1) Performance evaluation of the Board of Directors: including the degree of participation in the Company's operations, the quality of the decision-making of the Board of Directors, the composition and structure of the Board of Directors, the selection and appointment of directors and continuing education, and internal control. (2) Performance evaluation of individual directors: including mastery of company goals and tasks, awareness of director responsibilities, participation in company operations, internal relationship management and communication, professional and continuing education for directors, and internal control, etc. (3) Performance evaluation of functional committees: including the degree of participation in the Company's operations, awareness of the responsibilities of functional committees, decision-making quality of functional committees, composition and selection of members of functional committees, and internal control.
Evaluation result	The evaluation has been completed in the first quarter of 2025 and will be announced at the Public Information Observatory in accordance with regulations (1) Performance evaluation results of the Board of Directors: the functions of the Board of Directors have been effectively strengthened and the overall operation is good. (2) Performance evaluation results of individual directors: Most directors agree with the self-evaluation results of various indicators, and they have fully guided and supervised the Company's strategy. (3) Performance evaluation results of functional committees: Remuneration Committee: Appropriate and reasonable recommendations on the remuneration of the management, and its overall operation is good. Audit Committee: Exercising its due supervision and operating well as a whole.

Explanation 4 : Assessment of the goals of the current year and the most recent year to strengthen the functions of the Board of Directors (such as setting up an audit committee, improving information transparency, etc.) and implementation status:

The Company has set up the Remuneration Committee and the Audit Committee to assist the Board of Directors in performing their supervisory duties.

(2) The operation of the audit committee or the participation of supervisors in the operation of the Board of Directors

1. Operation of the Audit Committee:

### Operation of the Audit Committee:

In the most recent year, the Audit Committee held a total of seven meetings (A), and the attendance of independent directors is as follows:

Title	Name	Actual number of attendances (B)	Number of delegated attendance	Actual attendance rate (%) (B/A) (Note)	Note
Independent Director	Li, Hsiao Wen	7	0	100%	
Independent Director	Tseng, Chen-Hsien	7	0	100%	
Independent Director	Liao, Fu-Lung	6	1	85.71%	
Independent Director	Zhou, Long-Chuan	6	1	85.71%	

Other matters to be recorded:

- If the audit committee has any of the following situations during its operation, it shall state the date and period of the meeting, the content of the proposal, the independent director's objection, reserved opinion or major proposal content, the resolution result, and the Company's handling of the audit committee's opinion .
  - Items listed in Article 14-5 of the Securities Exchange Act: Please refer to Explanation 1 for details.
  - Except for the above-mentioned matters, other resolution matters that have not been approved by the audit committee and approved by more than two-thirds of all directors: None
- The implementation of the recusal by independent directors of the proposals related to their interests shall state the name of the directors, the content of the proposals, the reasons for the recusal of the interests of independent directors, and the status of participation in voting: None.
- Communication between independent directors and internal audit supervisors and accountants (should include major events, methods and results of the Company's financial and business conditions): Please refer to Explanation 2 for details
- The focus of the Audit Committee's annual work and its operation: please refer to Explanation 3 for details

#### Explanation 1 :

(1)Matters listed in Article 14-5 of the Securities and Exchange Act: Reported to the Board of Directors after approval by the Audit Committee.

Audit Committee	Proposal content and follow-up processing	Matters listed in Article 14-5 of the Securities and Exchange Act	Contents of independent directors' objections, reservations, or major proposals	Other resolutions that have not been passed by the Audit Committee and approved by more than two-thirds of all directors
2024.03.15 The 1 <sup>st</sup> Audit Committee meeting in 2024	1. The 2023 financial report, business report and profit distribution proposal.	V	None	None
	2. Proposal of 2023 "Internal Control System Effectiveness Assessment" and "Internal Control System Statement".	V	None	None
	3. Proposal of evaluation of the detached independence of accountants.	V	None	None
	4. Proposal to pre-approve the CPA, its firm, and the affiliates of its firm to provide non-certified services for the Company and the Company's subsidiary.	V	None	None
	5. Proposal to amend the "Audit Committee Charter".	V	None	None
	6. CONNTEK INTEGRATED SOLUTIONS INC., a 100% grandson company re-invested by the Company, intends to lease property from CISKO LLC, another grandson company of the Company with 100% investment for operation purpose.	V	None	None
	Opinion of the Audit Committee: None			
	The Company's handling of the Audit Committee's opinion: None			
	Resolution result: approved by all audit committee members present.			

2024.05.10 The 2 <sup>nd</sup> Audit Committee meeting in 2024	1. Proposal of replacement of CPAs due to internal rotation of the accounting firm.	V	None	None
	2.The Company’s consolidated financial report for first quarter of 2024.	V	None	None
	Opinion of the Audit Committee: None			
	The Company's handling of the Audit Committee's opinion: None			
	Resolution result: approved by all audit committee members present.			
2024.08.12 The 3 <sup>rd</sup> Audit Committee meeting in 2024	1. The Company's consolidated financial report for the second quarter of 2024.	V	None	None
	2. In order to establish a base suitable for production in the U.S. in response to needs for operation development, it is proposed to authorize the chairman to purchase the real estate in the U.S. within the amount of US\$20 million.	V	None	None
	3. Due to needs for purchase of real estate, a 100% grandson subsidiary of the Company's reinvestment, intends to apply for a short-term financing from the Company in the amount of US\$16 million.	V	None	None
	4. Due to business and capital turnover needs, CONNTEK INTEGRATED SOLUTIONS INC., a 100% sub-subsidiary of the Company's reinvestment, intends to apply for financing from the Company in the mount of US\$2.3 million.	V	None	None
	Opinion of the Audit Committee: None			
	The Company's handling of the Audit Committee's opinion: None			
	Resolution result: approved by all audit committee members present.			
2024.10.09 The 4 <sup>th</sup> Audit Committee meeting in 2024	1.The Company intends to set up a subsidiary (name of the company undecided) in Vietnam in the investment amount of US\$10.5 million.	V	None	None
	Opinion of the Audit Committee: None			
	The Company's handling of the Audit Committee's opinion: None			
	Resolution result: approved by all audit committee members present.			
2024.11.11 The 5 <sup>th</sup> Audit Committee meeting in 2024	1. The Company's consolidated financial report for the third quarter of 2024.	V	None	None
	2. Proposal of addition of the “Regulations Governing Sustainable Information Management”.	V	None	None
	3. Enforcement Rules of “Operating Procedure for Sustainable Information Management” in the Internal Control System, and “Internal Audit of “Detailed Check List of Operation of Sustainable Information Management”.	V	None	None
	4. Proposal of “Operating Procedure of Preparation and Verification of Sustainability Report”.	V	None	None
	5. 2025 annual audit plan.	V	None	None
	6. Due to business and capital turnover needs, CONNTEK INTEGRATED SOLUTIONS INC., a 100% sub-subsidiary of the Company's reinvestment, intends to apply for financing from the Company in the mount of US\$2.5 million.	V	None	None
	7. Due to business and capital turnover needs, CONNTEK INTEGRATED SOLUTIONS INC., a 100% sub-subsidiary of the Company's reinvestment, intends to provide financing endorsement/guarantee for applying for financing from Cathay United Bank in the limit mount of US\$5 million.	V	None	None
	Opinion of the Audit Committee: None			
	The Company's handling of the Audit Committee's opinion: None			

	Resolution result: approved by all audit committee members present.			
2025.03.06 The 1 <sup>st</sup> Audit Committee meeting in 2025	1. Reported the Company's purchase of the factory building at Xiding Rd., Xizi Dist., New Taipei City; this proposal was carried out subject to the Company's management procedure of acquisition or disposal of assets, and submitted to the Board of Directors in preparation for a report.	V	None	None
	2. Discussed increase of the investment amount up to US\$30 million for WELL SHIN INDUSTRIES CORP., a 100% subsidiary of the Company's reinvestment.	V	None	None
	3. Discussed establishment of a production and operation base in Texas, USA in response to the investment and operation plan of the U.S. subsidiary, WELL SHIN INDUSTRIES CORP.; it was proposed that the said company purchased the factory building and office premises in the amount of US\$19.8 million.	V	None	None
	4. Discussed the proposal of WELL SHIN INDUSTRIES CORP., a 100% subsidiary of the Company's reinvestment, to apply for financing from CISKO LLC, a 100% sub-subsidiary of the Company's reinvestment.	V	None	None
	5. Discussed the proposal of CONNTEK INTEGRATED SOLUTIONS INC., a 100% sub-subsidiary of the Company's reinvestment, to request the Company for providing financing endorsement/guarantee in order to apply for the financing credit limit from the bank.	V	None	None
	Opinion of the Audit Committee: None			
	The Company's handling of the Audit Committee's opinion: None			
	Resolution result: approved by all audit committee members present.			
2025.03.13 The 2 <sup>nd</sup> Audit Committee meeting in 2025	1. Reported implementation status of internal audit business.	V	None	None
	2. Discussed 2024 "Internal Control System Effectiveness Assessment" and "Internal Control System Statement".	V	None	None
	3. Discussed the proposal of evaluation of the detached independence of accountants.	V	None	None
	4. Discussed the proposal of 2024 financial report, business report, and profit distribution.	V	None	None
	5. Discussed the matter that Well Shin Electronic (Kunshan) Co., Ltd., a 100% company of the Company's reinvestment, engaged others to build the factory buildings on its own land.	V	None	None
	6. Discussed the proposal of amendment of "Articles of Association".	V	None	None
	7. Discussed formulation of "Rules Governing Financial and Business Matters Between Related Parties".			
	The Company's handling of the Audit Committee's opinion: None			
	Resolution result: approved by all audit committee members present.			

Explanation 2 :

1. The Audit Committee meeting held by the Company in 2024 is shown in Explanation 3 below. The Company's audit supervisor submits a written report to the independent directors for review every month regarding the deficiencies in the previous month's audit and the improvement and tracking. The independent directors have no objection to the report of the audit execution results. The Company holds a board meeting, and both independent directors and audit supervisors attend the meeting, and the audit supervisor reports on the internal audit work to the Board of Directors.
2. The Company's financial statements that have been reviewed or checked by certified accountants are sent to the Audit Committee for discussion, and after approval, they are submitted to the Board of Directors for a report or resolution. When auditing the financial report every quarter, the certified accountant issues a written communication letter to the independent directors, explaining

the content and results of the audit work, and explaining the major accounting estimates and adjusting entries. Audit supervisors, accountants and independent directors can also communicate with each other at any time as needed.

**Communication between independent directors and accountants**

2024	Communication focus
2023.03.15 Communication letter with management unit	Consolidated financial statements and individual financial statements for 2023.
2024.05.10 Communication letter with management unit	Consolidated financial statements for the first quarter of 2024.
2024.08.12 Communication letter with management unit	Consolidated financial statements for the second quarter of 2024.
2024.11.11 Communication letter with management unit	Consolidated financial statements for the third quarter of 2024.
2025	Communication focus
2025.03.13 Communication letter with management unit	Consolidated financial statements and individual financial statements for 2024.

**Explanation 3 :**

The annual work focus of the Audit Committee and its operation:

- (1) The audit committee of the Company held five meetings in 2024 and two meetings so far in 2025, and attendance of the committee members was good. The main work priorities and powers are as follows:
1. To formulate or amend the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
  2. Assessment of the effectiveness of the internal control system.
  3. In accordance with the provisions of Article 36-1 of the Securities and Exchange Act, to formulate or amend the procedures for dealing with major financial business activities such as acquiring or disposing of assets, engaging in derivative commodity transactions, lending funds to others, and providing endorsements or guarantees for others .
  4. Matters involving the interests of directors themselves.
  5. Major asset or derivative commodity transactions.
  6. Major capital loans, endorsements or guarantees.
  7. Raising, issuing or private placement of securities with equity nature.
  8. Appointment, dismissal or remuneration of certified accountants.
  9. Appointment and dismissal of financial, accounting or internal audit supervisors.
  10. The annual financial report signed or sealed by chairman, manager, and Accounting in charge, and the second quarter financial report that must be audited and signed by an accountant.
  11. Other important matters stipulated by the Company or the competent authority.

(2) Operation of the Audit Committee in 2024 and 2025:

Meeting date	Contents of the proposal, resolution status and follow-up processing
2024.3.15	<p>1. Contents of the proposal:</p> <ul style="list-style-type: none"> <li>(1) To report the implementation of internal audit business.</li> <li>(2) To discuss the 2023 financial report, business report and profit distribution proposal.</li> <li>(3) To discuss the 2023 "Internal Control System Effectiveness Assessment" and "Internal Control System Statement".</li> <li>(4) To discuss Proposal of evaluation of the detached independence of accountants.</li> <li>(5) Proposal to pre-approve the CPA, its firm, and the affiliates of its firm to provide non-certified services for the Company and the Company's subsidiary.</li> <li>(6) Proposal to amend the "Audit Committee Charter".</li> <li>(7) CONNTEK INTEGRATED SOLUTIONS INC., a 100% grandson company re-invested by the Company, intends to lease property from CISKO LLC, another grandson company of the Company with 100% investment for operation purpose.</li> </ul> <p>2. Results of the resolution of the Audit Committee: None</p>
2024.5.10	<p>1. Contents of the proposal:</p> <ul style="list-style-type: none"> <li>(1) Report on the implementation of internal audit business.</li> <li>(2) Proposal of replacement of CPAs due to internal rotation of the accounting firm.</li> <li>(3) The Company's consolidated financial report for the first quarter of 2024.</li> </ul> <p>2. Results of the resolution of the Audit Committee: None</p>
2024.08.12	<p>1. Contents of the proposal:</p> <ul style="list-style-type: none"> <li>(1) Report on the implementation of internal audit business.</li> <li>(2) To discuss the Company's consolidated financial report for the second quarter of 2024.</li> <li>(3) In order to establish a base suitable for production in the U.S. in response to needs for operation development, it is proposed to authorize the chairman to purchase the real estate in the U.S. within the amount of US\$20 million.</li> <li>(4) Due to needs for purchase of real estate, a 100% sub-subsidiary of the Company's reinvestment, intends to apply for a short-term financing from the Company in the amount of US\$16 million.</li> <li>(5) Due to business and capital turnover needs, CONNTEK INTEGRATED SOLUTIONS INC., a 100% sub-subsidiary of the Company's reinvestment, intends to apply for financing from the Company in the amount of US\$2.3 million.</li> </ul> <p>2. Results of the resolution of the Audit Committee: None</p>
2024.10.09	<p>1. Contents of the proposal:</p> <ul style="list-style-type: none"> <li>(1) The Company intends to set up a subsidiary (name of the company undecided) in Vietnam in the investment amount of US\$10.5 million.</li> </ul> <p>2. Results of the resolution of the Audit Committee: None</p>
2024.11.11	<p>1. Contents of the proposal:</p> <ul style="list-style-type: none"> <li>(1) Report on the implementation of internal audit business.</li> <li>(2) To discuss the Company's consolidated financial report for the third quarter of 2024.</li> <li>(3) To discuss Proposal of addition of the "Regulations Governing Sustainable Information Management".</li> <li>(4) To discuss Enforcement Rules of "Operating Procedure for Sustainable Information Management" in the Internal Control System, and "Internal Audit of "Detailed Check List of Operation of Sustainable Information Management".</li> <li>(5) To discuss Proposal of "Operating Procedure of Preparation and Verification of Sustainability Report".</li> <li>(6) To discuss the 2025 annual audit plan.</li> <li>(7) Due to business and capital turnover needs, CONNTEK INTEGRATED SOLUTIONS INC., a 100% sub-subsidiary of the Company's reinvestment, intends to apply for financing from the Company in the amount of US\$2.5 million.</li> <li>(8) Due to business and capital turnover needs, CONNTEK INTEGRATED SOLUTIONS INC., a 100% sub-subsidiary of the Company's reinvestment, intends</li> </ul>

	<p>to provide financing endorsement/guarantee for applying for financing from Cathay United Bank in the limit amount of US\$5 million.</p> <p>2. Results of the resolution of the audit committee: no opinion</p>
2025.03.06	<p>1. Contents of the proposal:</p> <p>(1) To report the Company's purchase of the factory building at Xiding Rd., Xizi Dist., New Taipei City; this proposal was carried out subject to the Company's management procedure of acquisition or disposal of assets, and submitted to the Board of Directors in preparation for a report.</p> <p>(2) To discuss increase of the investment amount up to US\$30 million for WELL SHIN INDUSTRIES CORP., a 100% subsidiary of the Company's reinvestment.</p> <p>(3) To discuss establishment of a production and operation base in Texas, USA in Response to the investment and operation plan of the U.S. subsidiary, WELL SHIN INDUSTRIES CORP.; it was proposed that the said company purchased the factory building and office premises in the amount of US\$19.8 million.</p> <p>(4) To discuss the proposal of WELL SHIN INDUSTRIES CORP., a 100% subsidiary of the Company's reinvestment, to apply for financing from CISKO LLC, a 100% sub-subsidiary of the Company's reinvestment.</p> <p>(5) To discuss the proposal of CONNTEK INTEGRATED SOLUTIONS INC., a 100% sub-subsidiary of the Company's reinvestment, to request the Company for providing financing endorsement/guarantee in order to apply for the financing credit limit from the bank.</p> <p>2. Results of the resolution of the Audit Committee: None</p>
2025.03.13	<p>1. Contents of the proposal:</p> <p>(1) To report implementation status of internal audit business.</p> <p>(2) To discuss 2024 "Internal Control System Effectiveness Assessment" and "Internal Control System Statement".</p> <p>(3) To discuss the proposal of evaluation of the detached independence of accountants.</p> <p>(4) To discuss the proposal of 2024 financial report, business report, and profit distribution.</p> <p>(5) To discuss the matter that Well Shin Electronic (Kunshan) Co., Ltd., a 100% company of the Company's reinvestment, engaged others to build the factory buildings on its own land.</p> <p>(6) To discuss the proposal of amendment of "Articles of Association".</p> <p>(7) To discuss formulation of "Rules Governing Financial and Business Matters Between Related Parties".</p> <p>2. Results of the resolution of the Audit Committee: None</p>

2. Participation of supervisors in the operation of the board of directors:

(The Company re-elected directors and supervisors at the Shareholders' Meeting on June 24, 2020, and elected three independent directors to set up an Audit Committee to replace the supervisor's authority, so there is no supervisor.)

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

Evaluation Items	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	V		The Company has a "Code of Practice on Corporate Governance" which is disclosed on its corporate website.	No major difference.
2. Shareholding structure & shareholders' rights (1) Does the company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure? (2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares? (3) Does the company establish and execute the risk management and firewall system within its conglomerate structure? (4) Does the company establish internal rules against insiders trading with undisclosed information?	V  V  V  V		(1) The Company has set up a stock office to deal with shareholder's suggestions or disputes. (2) The Company keeps track of the shareholdings of directors, managers and major shareholders holding more than 10% of the shares. (3) The Company has established "affiliated companies transaction procedures" to control various operations and risk matters, and followed the internal control system to regularly check the relevant business of subsidiary enterprises. (4) The Company has management measures for preventing insider trading and internal major information processing procedures, and conducts irregular publicity.	No major difference.  No major difference.  No major difference.  No major difference.
3. Composition and Responsibilities of the Board of Directors (1) Does the Board develop and implement a diversified policy for the composition of its members?	V		(1) The Company clearly regulates the diversity policy of the composition of the Board of Directors in Article 20 of the "Corporate Governance Code of Practice". The composition of the board is based on the practical needs of the Company's business development scale and the shareholding of major shareholders. When considering and screening candidates for directors, it is based on the principle of diversity, evaluating professional background, academic (experience), integrity or relevant professional qualifications, etc. The Company's board of directors and independent directors have a diverse composition of legal, financial, marketing, and industrial experience, and possess the expertise, skills, and accomplishments required to perform their duties. There are 9 directors, of which 4 are	No major difference.

Evaluation Items	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons												
	Yes	No	Abstract Illustration													
<p>(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?</p> <p>(3) Does the company establish a standard to measure the performance of the Board and implement it annually, and are performance evaluation results submitted to the Board of Directors and referenced when determining the remuneration of individual directors and nominations for reelection?</p> <p>(4) Does the company regularly evaluate the independence of CPAs?</p>	V	V	<p>independent directors, reaching more than one-third of the number of independent directors. Two female directors and the specific management goal of "directors who concurrently act as company managers do not exceed one-third of the directors' seats" and only one seat drive the Company to achieve its business decision-making and supervision functions. Please refer to pages 13-14 for details on the implementation of diversity among members of the Board of Directors.</p>	<p>No major difference.</p> <p>No major difference.</p> <p>No major difference.</p>												
			<p>(2) The Company has set up its remuneration committee and audit committee according to law. In addition, in 2024, the sustainable development committee was established. Other functional management is the responsibility of each department in charge, and no other functional committees are set up, which will be evaluated and established in the future as needed.</p>													
			<p>(3) On December 16, 2019, the Company passed the resolution of the board of directors to formulate the "Performance Evaluation Measures of the Board of Directors", and based on this, it conducts regular performance evaluation every year and submits it to the board as a reference for director remuneration and nomination for renewal.</p>													
			<p>(4) The Company’s Board of Directors reviews the independence and suitability of certified accountants every year. In addition to the evaluation of the aspects in the table below, it refers to the 13 project indicators across five major aspects, which are Professionalism, Quality Control, Independence, Supervision, and Innovation, of the 2023 audit quality indicators (AQIs) of accountants beginning in 2025.</p>													
			<table border="1"> <thead> <tr> <th>Evaluation items</th> <th>Evaluation results</th> </tr> </thead> <tbody> <tr> <td>Financial interest</td> <td>None</td> </tr> <tr> <td>Business relationship</td> <td>None</td> </tr> <tr> <td>Firm size</td> <td>OK</td> </tr> <tr> <td>Non-audit service items</td> <td>OK</td> </tr> <tr> <td>Certification public fees</td> <td>OK</td> </tr> </tbody> </table>	Evaluation items	Evaluation results	Financial interest	None	Business relationship	None	Firm size	OK	Non-audit service items	OK	Certification public fees	OK	
Evaluation items	Evaluation results															
Financial interest	None															
Business relationship	None															
Firm size	OK															
Non-audit service items	OK															
Certification public fees	OK															

Evaluation Items	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons		
	Yes	No	Abstract Illustration			
			<table border="1"> <tr> <td>Service quality</td> <td>OK</td> </tr> </table> <p>The accountant issued a "Declaration of Detached Independence" and submitted it to the Board of Directors for evaluation and review on March 15, 2024 and March 13, 2025.</p>	Service quality	OK	
Service quality	OK					
.Does the company appoint a suitable number of competent personnel and a supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the board of directors and the shareholders' meetings, and producing minutes of board meetings and shareholders' meetings)?	V		<p>The Company's General Management Department is responsible for coordinating corporate governance-related affairs and the corporate governance officer is in charge of supervising and assigning relevant work to relevant departments to promote corporate governance. The relevant scope of authority is as follows:</p> <ol style="list-style-type: none"> <li>1. To provide the information required by the directors to execute their duties.</li> <li>2. To plan the date and agenda of the board meeting, and notify the directors seven days before the meeting. If the topic should avoid interests, please remind in advance, and send the minutes of the board meeting within 20 days after the meeting.</li> <li>3. To handle the Shareholders' Meeting according to the law, make the meeting notice, procedure manual, and minutes within the statutory time limit, and handle the change registration after the revision of the Company's Articles of Association and the reelection of directors.</li> </ol>	No major difference.		
5.Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	V		The Company's website has a special area for interested parties, and there are dedicated personnel to answer various types of questions from interested parties.	No major difference.		
6.Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	V		The Company appoints a professional stock affairs agency - Grand Fortune Securities Co., Ltd. Stock Affairs Agency Department to handle the Company's stock affairs business.	No major difference.		
7.Information Disclosure						
(1)Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	V		(1) The Company has set up a website with a special area for investors, where they can inquire about various corporate governance and financial information of the company.	No major difference.		
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information	V		(2) The Company has a designated person responsible for the collection and disclosure of company information, and implements the spokesperson system in accordance with	No major difference.		

Evaluation Items	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>collection and disclosure, creating a spokesman system, webcasting investor conferences)?</p> <p>(3) Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?</p>		V	<p>regulations.</p> <p>(3) Although the Company did not announce and submit the annual financial report within two months after the end of the fiscal year, it always submitted the annual financial report before the prescribed deadline, and announced and submitted the financial reports of the first, second and third quarters and operating conditions for each month before the prescribed deadline.</p>	No major difference.
<p>8.Is there any other important information to facilitate a better understanding of the company’s corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors’ and supervisors’ training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?</p>	V		<ol style="list-style-type: none"> <li>1. The Company has a retirement measure to stabilize the retirement life of employees.</li> <li>2. The Company has sexual harassment prevention and punishment measures to provide a good working environment for employees.</li> <li>3. The Company has work rules and actually implements the relevant content to safeguard the rights and interests of employees.</li> <li>4. The attendance of the Company’s Board of Directors is good.</li> <li>5. The Company purchases “director liability insurance” for directors.</li> <li>6. Directors who have their own interests in the matters of the Board of Directors take their own avoidance and do not participate in voting.</li> </ol>	No major difference.
<p>9. According to the corporate governance evaluation results issued by the Corporate Governance Center of Taiwan Stock Exchange Co., Ltd. in the most recent year, please explain the situation that has been improved, and propose priority strengthening matters and measures for those that have not improved.</p> <ol style="list-style-type: none"> <li>1. Improved situation: The sustainable environment data has been disclosed.</li> <li>2. The situation that has not been improved: Establishment of functional committees and the third-party assessment and verification obtained for relevant items.</li> </ol>				

(4) If the company has established a remuneration committee, it shall disclose its composition, responsibilities and operation:

1. Composition:

The Company's remuneration committee is composed of three members, including three independent directors of the Company. The chairman of the fifth session of the remuneration committee is Mr. Li, Hsiao Wen, an independent director of the Company. For the constitution of the remuneration committee, please refer to the public information observatory information.

The Company approved the appointment of independent director Li, Hsiao Wen, independent director Tseng, Chen-Hsien, and Mr. Liao, Fu-Lung as members of the 5<sup>th</sup> Session of Remuneration Committee at the board meeting on July 07, 2023.

**(1) Information on the members of the Remuneration Committee**

Identity Name		Condition	Professional qualifications and experience	Independence situation	Simultaneously serve as members of the remuneration committees of other public offering companies
Independent Director	Li, Hsiao Wen		The remuneration committee of the Company is composed of independent directors. Please refer to pages 12-13 for the disclosure of the professional qualifications and experience of independent directors.	(1) Non-employees of the Company or its affiliates. (2) Not a director or supervisor of the Company or its affiliates. (3) Non-self and their spouses, minor children, or natural person shareholders who hold more than 1% of the Company's total issued shares in the name of others or hold shares in the top ten. (4) Not the spouse, relative within the second degree or immediate blood relative within the third degree of the manager listed in (1) or the personnel listed in (2) and (3). (5) Not directors and supervisors of legal person shareholders who directly hold more than 5% of the Company's total issued shares, are among the top five shareholders, nor designate representatives to serve as company directors, supervisors or employees in accordance with Article 27, Item 1 or Item 2 of the Company Act. (6) Not directors, supervisors or employees of other companies controlled by the same person as the directors of the Company or more than half of the shares with voting rights. (7) Not a director (member), supervisor (auditor), or employee of another company or institution that is not the same person or spouse as the chairman, general manager, or equivalent of the Company. (8) Not a director (member), supervisor (auditor), manager, or shareholder holding more than 5% of the shares of a specific company or institution that has financial or business dealings with the Company. (9) Professionals, sole proprietorships, partnerships, business owners, partners, directors (members), supervisors (auditors), managers and their spouses of companies and institutions who have not provided auditing for the Company or affiliates or received remuneration in the last two years for business, legal, financial, accounting and other services. (10) No spouse or relative within the second degree of relationship with other directors.	None
Independent Director	Tseng, Chen-Hsien				None
Independent Director	Liao, Fu-Lung				None

2. Responsibilities:

The Remuneration Committee is responsible for assisting the Board of Directors in implementing and evaluating the Company's remuneration and policies, as well as the remuneration of directors, supervisors and managers.

3. Operating situation:

Mr. Li, Hsiao Wen, chairman of the fifth Remuneration Committee, was appointed by the Board of Directors on July 07, 2023 as the fifth Remuneration Committee member. From the most recent year (2024) to April 30, 2025, three regular meetings were held. The attendance of the Remuneration Committee members is as follows:

Title	Name	Actual attendance	Attendance rate(%)	Concurrent duties	Note
Chairman	Li, Hsiao Wen	3	100%	Lawyer, Minde United Law Firm	Independent Director
Member	Tseng, Chen-Hsien	3	100%	None (Retired from Senior Associate Manager of E. Sun Bank.)	Independent Director
Member	Liao, Fu-Lung	3	100%	None (Retired from Senior Associate Manager of E. Sun Bank.)	Independent Director

(2) Information on the operation of the Remuneration Committee

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

2. The term of office of the current committee members: from July 07, 2023 to June 14, 2026. From the most recent year (2024) to April 30, 2025, the Remuneration Committee held a total of three meetings (A). The situation is as follows:

Title	Name	Actual attendance (B)	Number of delegated attendance	Actual attendance rate (%) (B/A) (Note)	Note
Convener	Li, Hsiao Wen	3	0	100%	
Member	Tseng, Chen-Hsien	3	0	100%	
Member	Liao, Fu-Lung	3	0	100%	

Other matters to be recorded:

- When the Board of Directors does not adopt or amends the proposal of the Remuneration Committee, it is necessary to state the date, session, content of the proposal, the result of the resolution of the Board of Directors, and the Company's handling of the opinions of the Remuneration Committee: None
- Resolutions of the Remuneration Committee: If members have objections or reservations and there are records or written statements, it is necessary to state the date, period, content of the proposal, opinions of all members and how to deal with the opinions of members: None
- The meeting proposals and resolution results of the Salary and Compensation Committee in the most recent year and the Company's handling of opinions of members.:

Remuneration Committee	Proposal content	Resolution result	The Company's handling of the opinions of the Remuneration Committee
The 5 <sup>th</sup> Session 2 <sup>nd</sup> meeting	1. The method and amount of remuneration for employees and directors in 2023.	After the chairman consulted all the remuneration committees present,	Submitted to the board of directors for approval by all

	2024.03.15		it was passed without objection.	directors present.
	The 5 <sup>th</sup> Session 3 <sup>rd</sup> meeting 2024.11.11	<ol style="list-style-type: none"> <li>1. The 2023 annual remuneration distribution plan for directors and managers.</li> <li>2. Examined the Company's policies, systems, standards and structures related to the performance evaluation and salary of directors and managers.</li> <li>3. Reviewed the Company's remuneration items in 2025.</li> <li>4. Discussed the amount of year-end bonuses paid to the managers of the Company.</li> <li>5. Discussed the work plan of the Company's Remuneration Committee in 2025.</li> </ol>	After the chairman consulted all the remuneration committee members present, it was passed without objection.	Submitted to the board of directors for approval by all directors present.
	The 5 <sup>th</sup> Session 4 <sup>th</sup> meeting 2025.3.13	1. The method and amount of remuneration for employees and directors in 2024.	After the chairman consulted all the remuneration committees present, it was passed without objection.	Submitted to the board of directors for approval by all directors present.

Remarks stating the terms of reference of the Remuneration Committee are as follows:

With the attention of a good manager, it is necessary to faithfully perform the following functions and powers, and submit the proposed proposals to the board of directors for discussion:

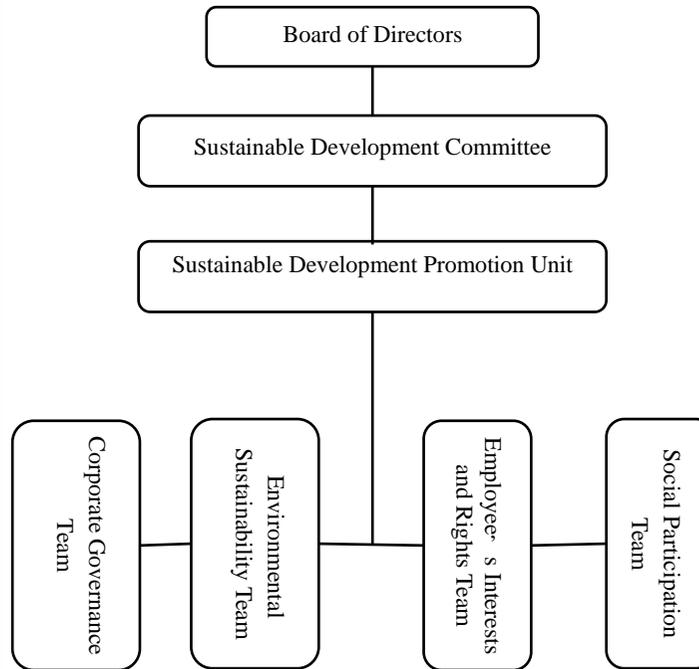
1. Formulate and regularly review the policies, systems, standards and structures for performance evaluation and remuneration of directors, supervisors and managers.
2. Regularly assess and determine the remuneration of its directors, supervisors and managers. When performing the functions and powers of the preceding paragraph, the committee must follow the following principles:
  - a. The performance evaluation and remuneration of directors, supervisors and managers shall refer to the usual payment situation of the industry, and consider the rationality of the relationship with individual performance, company operating performance and future risks.
  - b. Directors and managers should not be induced to engage in any behavior that exceeds the company's risk appetite in pursuit of compensation.
  - c. Regarding the proportion of short-term performance bonuses for directors and senior managers and the payment timing of some variable remuneration, it should be determined by considering the characteristics of the industry and the nature of the company's business.

(3) Information and operation of the nomination committee members: Not applicable.

(5) Implementation of sustainable development promotion and difference from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons:

**Implementation of sustainable development promotion and difference from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons**

Evaluation Item	Implementation Status (Note 1)			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation (Note 2)	
1. Does company establish a governance structure to promote sustainable development, set up a full-time (part-time) unit to promote sustainable development, and the board of directors authorize senior management to handle it, and the supervision situation of the board of directors?	v		<p>1. Management policy, strategy and goal formulation: The Company has proposed establishing sustainable development committee to the Board on November 11, 2024, under which the former sustainable development promotion unit was set up with the general manager as the convener and the senior department supervisors as each functional unit leader, responsible for setting various sustainable development issues, convening, on an irregular basis, relevant meetings, discussing sustainable development issues, and corresponding to risks and opportunities, caused and brought by climate incidents. Each sustainable functional unit takes charge of executing and reporting progress, results and future work plans, and conducts group integration and cross-departmental contact to ensure the implementation of sustainable development at all levels.</p> <p>2. Each issue of the sustainable development committee and the sustainable development promotion unit is as follows:</p>	No major difference



- (1) Corporate Governance Team (referring to the implementation of laws and regulations, improving information transparency, strengthening the functions of the Board of Directors, and safeguarding shareholders' rights and interests).
- (2) Environmental Sustainability Team (referring to greenhouse gas management, water resources management, energy management, waste management).
- (3) Employee's Interests and Rights Team (referring to education and training, human rights protection, salary bonuses, employee benefits, employee safety).
- (4) Social Participation Team (referring to public welfare activities, community participation, safe products, and supplier management).
- (5) Review measures: The sustainable development committee needs to report its implementation progress, results and future work plan to the Board of Directors every year. The report for 2024 has been presented to the Board on May 10. The board supervises the progress of each implementation based on the report of the committee, examines the effectiveness of the implementation results, and adjusts its implementation direction and goals in a timely manner.

<p>2. Does the company conduct risk assessments on environmental, social, and corporate governance issues related to the company's operations in accordance with the principle of materiality, and formulate relevant risk management policies or strategies? (Note 3)</p>	<p>V</p>		<p>Based on the principle of materiality, the sustainable development unit of the Company conducts analysis, by which it evaluates environmental, social, and corporate governance issues, identifies related risks and opportunities in accordance with risk assessment, and maps out response strategies for subsequent reference of goal formulation in order to reduce impact made by relevant risks.</p>	<p>No major difference</p>												
			<table border="1"> <thead> <tr> <th data-bbox="1055 403 1227 448">Major issues</th> <th data-bbox="1227 403 1442 448">Risk assessment project</th> <th data-bbox="1442 403 1821 448">Explanation</th> </tr> </thead> <tbody> <tr> <td data-bbox="1055 448 1227 764">Environment</td> <td data-bbox="1227 448 1442 764">Environmental impact</td> <td data-bbox="1442 448 1821 764"> <p>1. In accordance with “ISO 14064-1”, the headquarters in Taipei, and Changhua factory independently conduct inventory of greenhouse gas emission, and plan, one by one, carbon reduction measures against carbon emission hotspots in accordance with the inventory results.</p> <p>2. The Dongguan factory has achieved the SBTi carbon reduction planning goal in 2024; the Kunshan factory has obtained the ISO 14064-1 verification in May 2024.</p> </td> </tr> <tr> <td data-bbox="1055 764 1227 1321">Society</td> <td data-bbox="1227 764 1442 1321">Human rights protection</td> <td data-bbox="1442 764 1821 1321"> <p>The Company puts high emphasis on employee rights. In order to provide employees, outsourced laborers, and recruiters with a work and service environment free from sexual harassment, we adopt appropriate preventive, corrective, punitive and management measures for the purpose of maintaining rights and privacy of the parties concerned. Pursuant to Paragraph 1, Article 13 of Act of “Gender Equality in Employment”, and relevant regulations in “Regulations for Establishing Measures on Prevention of Sexual Harassment in the Workplace, we formulate the complaint and punishment regulations of the sexual harassment prevention and correction in the company. We not only value sexual harassment prevention and correction, but even endeavor to create a comprehensive, diversified and respectful work culture in order to make each employee feel respected and considered.</p> </td> </tr> <tr> <td></td> <td data-bbox="1227 1321 1442 1439">Employee Diversification and Equality</td> <td data-bbox="1442 1321 1821 1439"> <p>The Company’s employee composition and structure is diversified and equal with diverse recruitment channels, including internal promotion, network media, employee recommendation, campus</p> </td> </tr> </tbody> </table>	Major issues	Risk assessment project	Explanation	Environment	Environmental impact	<p>1. In accordance with “ISO 14064-1”, the headquarters in Taipei, and Changhua factory independently conduct inventory of greenhouse gas emission, and plan, one by one, carbon reduction measures against carbon emission hotspots in accordance with the inventory results.</p> <p>2. The Dongguan factory has achieved the SBTi carbon reduction planning goal in 2024; the Kunshan factory has obtained the ISO 14064-1 verification in May 2024.</p>	Society	Human rights protection	<p>The Company puts high emphasis on employee rights. In order to provide employees, outsourced laborers, and recruiters with a work and service environment free from sexual harassment, we adopt appropriate preventive, corrective, punitive and management measures for the purpose of maintaining rights and privacy of the parties concerned. Pursuant to Paragraph 1, Article 13 of Act of “Gender Equality in Employment”, and relevant regulations in “Regulations for Establishing Measures on Prevention of Sexual Harassment in the Workplace, we formulate the complaint and punishment regulations of the sexual harassment prevention and correction in the company. We not only value sexual harassment prevention and correction, but even endeavor to create a comprehensive, diversified and respectful work culture in order to make each employee feel respected and considered.</p>		Employee Diversification and Equality	<p>The Company’s employee composition and structure is diversified and equal with diverse recruitment channels, including internal promotion, network media, employee recommendation, campus</p>	
Major issues	Risk assessment project	Explanation														
Environment	Environmental impact	<p>1. In accordance with “ISO 14064-1”, the headquarters in Taipei, and Changhua factory independently conduct inventory of greenhouse gas emission, and plan, one by one, carbon reduction measures against carbon emission hotspots in accordance with the inventory results.</p> <p>2. The Dongguan factory has achieved the SBTi carbon reduction planning goal in 2024; the Kunshan factory has obtained the ISO 14064-1 verification in May 2024.</p>														
Society	Human rights protection	<p>The Company puts high emphasis on employee rights. In order to provide employees, outsourced laborers, and recruiters with a work and service environment free from sexual harassment, we adopt appropriate preventive, corrective, punitive and management measures for the purpose of maintaining rights and privacy of the parties concerned. Pursuant to Paragraph 1, Article 13 of Act of “Gender Equality in Employment”, and relevant regulations in “Regulations for Establishing Measures on Prevention of Sexual Harassment in the Workplace, we formulate the complaint and punishment regulations of the sexual harassment prevention and correction in the company. We not only value sexual harassment prevention and correction, but even endeavor to create a comprehensive, diversified and respectful work culture in order to make each employee feel respected and considered.</p>														
	Employee Diversification and Equality	<p>The Company’s employee composition and structure is diversified and equal with diverse recruitment channels, including internal promotion, network media, employee recommendation, campus</p>														

					recruitment, reference of employment counselling stations, etc.	
				Product safety	<ol style="list-style-type: none"> <li>1. The Company's products are manufactured in accordance with the safety standards of various countries.</li> <li>2. The Company purchases product liability insurance.</li> </ol>	
			Corporate governance	Compliance with the law	Implement the internal system control mechanism and ensure that all operations follow laws and regulations.	
				Information security	<ol style="list-style-type: none"> <li>1. The chief information officer of the company leads the information staff in each factory of the group to regularly assess information security risks.</li> <li>2. Carry out security management of the information room in accordance with the cyber security policy to ensure information security, information equipment operation, and regular implementation of information security audit.</li> <li>3. Review information equipment malfunction risks and retention capability, discuss, and implement improvement measures.</li> <li>4. Make use of mail publicity and educational training to strengthen colleagues' cyber security ideas.</li> <li>5. Conduct the information security meeting once a month.</li> </ol>	
3. Environmental issues						
(1) Does the company establish proper environmental management systems based on the characteristics of their industries?				The Company's Kunshan factory has obtained ISO14001 environmental management system certification.		No major difference
(2) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?				<p>The Company actively improves the manufacturing process, replaces old machines with new ones and introduces automated production. It also plans to introduce solar power generation to improve energy efficiency, save energy and increase production efficiency.</p> <p>The Company's production and operation aids in the factory, such as cartons, bags, and blister boxes, are mostly recycled and reused, and records are made and implemented. The production design process minimizes waste and waste materials. After production, the waste materials are sorted and entrusted to organizations certified by waste removal permits for recycling and reuse.</p> <p>The Dongguan factory has undertaken installation of solar panels in 2024 with step-by-step completion of the carbon reduction planning; the Kunshan factory targeted at an annual decrease of 45.44% less than the standard of carbon emission intensity in Scope 1 + Scope 2, which has achieved the</p>		No major difference

		<p>planned goal. The Company's Kunshan factory made energy-saving improvements in terms of equipment in 2024; the improvement conditions were shown as follows:</p> <table border="1" data-bbox="1025 277 1771 655"> <thead> <tr> <th>Project Name</th> <th>Time of Project Completion Launched (Year/Month)</th> <th>Electricity-saving Rate</th> </tr> </thead> <tbody> <tr> <td>Electricity-saving of Stew Ovens</td> <td>2024/03</td> <td>18%</td> </tr> <tr> <td>Electricity-saving of Intelligent Ovens</td> <td>2024/06</td> <td>35%</td> </tr> <tr> <td>Replacement of Extruders by Energy-saving Devices for Saving Electricity</td> <td>2024/06</td> <td>41%-45%</td> </tr> </tbody> </table>	Project Name	Time of Project Completion Launched (Year/Month)	Electricity-saving Rate	Electricity-saving of Stew Ovens	2024/03	18%	Electricity-saving of Intelligent Ovens	2024/06	35%	Replacement of Extruders by Energy-saving Devices for Saving Electricity	2024/06	41%-45%	
Project Name	Time of Project Completion Launched (Year/Month)	Electricity-saving Rate													
Electricity-saving of Stew Ovens	2024/03	18%													
Electricity-saving of Intelligent Ovens	2024/06	35%													
Replacement of Extruders by Energy-saving Devices for Saving Electricity	2024/06	41%-45%													
<p>(3) Does the company evaluate potential risks and opportunities brought by climate change, and take response measures to climate-related issues?</p>		<p>The Company continues to pay attention to global climate change. According to TCFD on the risks and opportunities of the company's business activities, the selected assessment items and response measures are as follows:</p> <table border="1" data-bbox="1048 874 1825 1430"> <thead> <tr> <th>Risk Aspect</th> <th>Evaluation Item</th> <th>Risk Management Policy or Strategy</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Environment and Climate Aspect</td> <td>Market Risk</td> <td>Formulate energy saving and carbon reduction goals, continue to improve processes, and promote carbon reduction planning depending on customers' eco-friendly needs.</td> </tr> <tr> <td>Policy and Regulatory Risk</td> <td> <ul style="list-style-type: none"> <li>● Set year-by-year emission reduction targets in line with government policies to improve energy use efficiency.</li> <li>● Increase energy use efficiency, actively improve processes, and import automated production equipment.</li> <li>● Conduct greenhouse gas inventory in each factory one by one, and complete verification in 2027.</li> </ul> </td> </tr> <tr> <td>Climate Disaster Risk</td> <td> <ul style="list-style-type: none"> <li>● By dispersing operation bases, reduce impact on operation when physical risks (e.g. water shortage, severe typhoon/heavy rainfall) occur.</li> <li>● Pay attention to climate information to accurately master risky climate trends, instantly inform all personnel to take preventive measures, and make efforts to minimize impact.</li> </ul> </td> </tr> </tbody> </table>	Risk Aspect	Evaluation Item	Risk Management Policy or Strategy	Environment and Climate Aspect	Market Risk	Formulate energy saving and carbon reduction goals, continue to improve processes, and promote carbon reduction planning depending on customers' eco-friendly needs.	Policy and Regulatory Risk	<ul style="list-style-type: none"> <li>● Set year-by-year emission reduction targets in line with government policies to improve energy use efficiency.</li> <li>● Increase energy use efficiency, actively improve processes, and import automated production equipment.</li> <li>● Conduct greenhouse gas inventory in each factory one by one, and complete verification in 2027.</li> </ul>	Climate Disaster Risk	<ul style="list-style-type: none"> <li>● By dispersing operation bases, reduce impact on operation when physical risks (e.g. water shortage, severe typhoon/heavy rainfall) occur.</li> <li>● Pay attention to climate information to accurately master risky climate trends, instantly inform all personnel to take preventive measures, and make efforts to minimize impact.</li> </ul>	<p>No major difference</p>		
Risk Aspect	Evaluation Item	Risk Management Policy or Strategy													
Environment and Climate Aspect	Market Risk	Formulate energy saving and carbon reduction goals, continue to improve processes, and promote carbon reduction planning depending on customers' eco-friendly needs.													
	Policy and Regulatory Risk	<ul style="list-style-type: none"> <li>● Set year-by-year emission reduction targets in line with government policies to improve energy use efficiency.</li> <li>● Increase energy use efficiency, actively improve processes, and import automated production equipment.</li> <li>● Conduct greenhouse gas inventory in each factory one by one, and complete verification in 2027.</li> </ul>													
	Climate Disaster Risk	<ul style="list-style-type: none"> <li>● By dispersing operation bases, reduce impact on operation when physical risks (e.g. water shortage, severe typhoon/heavy rainfall) occur.</li> <li>● Pay attention to climate information to accurately master risky climate trends, instantly inform all personnel to take preventive measures, and make efforts to minimize impact.</li> </ul>													

				<table border="1"> <tr> <th>Opportunity Aspect</th> <th>Chance factor</th> <th>Response policy</th> </tr> <tr> <td>Resource efficiency</td> <td>Replace old machines with new ones, use multiple energy sources for production, and reduce production costs.</td> <td>Install energy management monitoring equipment and introduce solar power generation.</td> </tr> <tr> <td>Market opportunities</td> <td>Increased demand for low-carbon products, such as electric vehicle accessories, will drive growth in business scale.</td> <td>The Company's main products are power cables, in line with the market trend of low-carbon products, and will develop products required by customers in the future.</td> </tr> </table>	Opportunity Aspect	Chance factor	Response policy	Resource efficiency	Replace old machines with new ones, use multiple energy sources for production, and reduce production costs.	Install energy management monitoring equipment and introduce solar power generation.	Market opportunities	Increased demand for low-carbon products, such as electric vehicle accessories, will drive growth in business scale.	The Company's main products are power cables, in line with the market trend of low-carbon products, and will develop products required by customers in the future.																
Opportunity Aspect	Chance factor	Response policy																											
Resource efficiency	Replace old machines with new ones, use multiple energy sources for production, and reduce production costs.	Install energy management monitoring equipment and introduce solar power generation.																											
Market opportunities	Increased demand for low-carbon products, such as electric vehicle accessories, will drive growth in business scale.	The Company's main products are power cables, in line with the market trend of low-carbon products, and will develop products required by customers in the future.																											
<p>(4) Does the company compile statistics of greenhouse gas emissions, water use, and total weight of waste in the past two years, as well as establish company strategies for energy conservation, carbon reduction, water use reduction, and other waste management?</p>				<p>The greenhouse gas emissions, water consumption and total waste weight of the Company's main production plants (Dongguan, Kunshan, Changhua) and the head office in the past two years are as follows:</p> <p>1. The Company follows the ISO14064 international standard and related management methods to conduct an inventory of energy demand and greenhouse gas emissions in business activities. Based on the results of the investigation, improvement plans and measures are formulated to actively promote the reduction of various greenhouse gas emissions in order to reduce the impact on the environment and climate caused by global warming.</p> <p>Greenhouse gases <span style="float: right;">Unit: tons of CO2</span></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Scope 1</th> <th>Scope 2</th> <th>Scope 3</th> <th>Emission Intensity (per million revenue)</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>1,108</td> <td>15,461</td> <td>1,537</td> <td>3.06</td> </tr> <tr> <td>2023</td> <td>1,040</td> <td>12,793</td> <td>3,064</td> <td>3.17</td> </tr> </tbody> </table> <p>2. The Company implements process water recycling, regular maintenance of water pipes, water-saving valves and other saving measures to prevent waste of water resources. The management unit strengthens the supervision of water consumption and conducts water publicity and education for all employees to enhance water-saving awareness.</p> <p>Water consumption <span style="float: right;">Unit: metric ton</span></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Water consumption</th> <th>Water intensity (per million revenue)</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>93,213</td> <td>16.58</td> </tr> <tr> <td>2023</td> <td>76,253</td> <td>14.31</td> </tr> </tbody> </table>	Year	Scope 1	Scope 2	Scope 3	Emission Intensity (per million revenue)	2024	1,108	15,461	1,537	3.06	2023	1,040	12,793	3,064	3.17	Year	Water consumption	Water intensity (per million revenue)	2024	93,213	16.58	2023	76,253	14.31	<p><b>No major difference</b></p>
Year	Scope 1	Scope 2	Scope 3	Emission Intensity (per million revenue)																									
2024	1,108	15,461	1,537	3.06																									
2023	1,040	12,793	3,064	3.17																									
Year	Water consumption	Water intensity (per million revenue)																											
2024	93,213	16.58																											
2023	76,253	14.31																											

		<p>3. The Company's process waste management policy: source development management, process waste reduction and terminal recycling classification are three stages of waste management. In terms of domestic waste, the use of environmentally friendly appliances is advocated, and employees are required to carry out waste classification to achieve waste reduction.</p> <p>Waste management Unit: metric ton</p> <table border="1" data-bbox="1048 368 1830 491"> <thead> <tr> <th>Year</th> <th>Harmless</th> <th>Harmful</th> <th>Waste weight</th> <th>Intensity (per million revenue)</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>74</td> <td>16</td> <td>90</td> <td>0.015</td> </tr> <tr> <td>2023</td> <td>52</td> <td>9</td> <td>61</td> <td>0.011</td> </tr> </tbody> </table>	Year	Harmless	Harmful	Waste weight	Intensity (per million revenue)	2024	74	16	90	0.015	2023	52	9	61	0.011	
Year	Harmless	Harmful	Waste weight	Intensity (per million revenue)														
2024	74	16	90	0.015														
2023	52	9	61	0.011														
<p>4. Social issues</p> <p>(1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights? Does the company have reasonable employee benefit measures (including salaries, leave, and other benefits), and do business performance or results reflect on employee salaries?</p> <p>(2) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?</p> <p>(3) Does the company provide its employees with effective career development and training sessions?</p> <p>(4) Does the company comply with the related laws and regulations and international standards regarding the customer health and safety, customer privacy, marking communication, and labeling of its products and services and establish policies to protect the rights and interests of customers or clients and procedures for grievances?</p> <p>(5) Does the company have a supplier management policy, require suppliers to comply with regulations on environmental protection, occupational safety and health, and labor rights, and what is its implementation status?</p>	<p>V</p> <p>V</p> <p>V</p> <p>V</p> <p>V</p> <p>V</p>	<p>(1) The Company abides by relevant laws and regulations, and refer to the “United Nations Global Compact” to establish management policies and procedures related to work rules, anti-discrimination procedures, sexual harassment prevention measures and punishment regulations, etc. with a view to protecting employees’ legal rights, and respecting the principle of basic labor human rights.</p> <p>(2) The Company has established various employee welfare measures in accordance with the law, such as salary management, leave management, education and training, performance bonuses, year-end bonuses and performance bonuses, and has established an employee welfare committee to provide travel subsidies for colleagues and monthly birthday celebration subsidies, and marriage, childbirth, hospitalization, and funeral allowances. Based on the annual operating performance, departmental performance management, and individual assessment contribution performance, the company has established a reasonable employee salary and bonus payment policy in combination with relevant regulations on rewards and punishments.</p> <p>(3) The Company regularly implements labor safety publicity, firefighting, safety drills and lectures, employee health checks and publicizes safety and hygiene work rules for employees. In order to prevent occupational accidents and protect the safety and health of employees, the Company has set up a safety and hygiene management office according to law, and formulated "safety and hygiene work rules" and "occupational safety and hygiene management regulations" to standardize the safety and hygiene of the working environment, and conduct regular fire safety, safety and hygiene course education and training. The Company also organizes employee health checks, employs full-time nurses to the factory to care for the physical and mental health of employees, creates a healthy workplace culture, and prevents occupational injuries and diseases.</p> <p>The Company conducts regular maintenance and repairs on the following</p>	<p><b>No major difference</b></p> <p><b>No major difference</b></p> <p><b>No major difference</b></p>															

			<p>facilities:</p> <table border="1" data-bbox="1043 185 1827 304"> <tr> <td>Drinking water, sanitation equipment</td> <td>Once every three months</td> </tr> <tr> <td>Lifts</td> <td>Once a month</td> </tr> <tr> <td>Fire equipment</td> <td>Once a year</td> </tr> </table> <p>And in accordance with the "Occupational Safety and Health Act", there is an operating environment monitoring plan, and carbon dioxide concentration monitoring is regularly carried out at the workplace to implement a safe and healthy working environment for employees. The Company didn't suffer any fire disaster in 2024.</p>	Drinking water, sanitation equipment	Once every three months	Lifts	Once a month	Fire equipment	Once a year	
Drinking water, sanitation equipment	Once every three months									
Lifts	Once a month									
Fire equipment	Once a year									
			<p>(4) Each department of the Company implements education and training courses on a quarterly basis to provide colleagues with relevant functional training, and to be familiar with the latest laws and operating methods as the basis for talent training. New employees also receive irregular education and training. Each department provides new employees with basic knowledge to understand the Company's norms and culture, and integrate into the work they are responsible for as soon as possible.</p> <p>(5) The Company's main products are power cables, all of which must be marked in accordance with the safety regulations of various countries.</p> <p>(6) The Company has a supplier code of conduct, a letter of commitment, and an environmental agreement, which contain detailed specifications for supplier development review, evaluation, environmental and social responsibility commitments, and intellectual property rights. This is to ensure that suppliers provide good quality products, conform to the trend of social development, and promise to protect the rights and interests of employees and improve the health and safety of employees, so as to meet social responsibility and regulatory requirements. If the supplier violates the relevant regulations, the Company may claim to terminate or rescind the contract.</p> <p>The Company has formulated "supplier evaluation management measures", the main process is as follows:</p> <table border="1" data-bbox="1032 1166 1805 1437"> <tr> <td>Supplier selection and evaluation</td> <td>After the investigation and selection of suppliers, evaluations are carried out in written, sample and on-the-spot ways.</td> </tr> <tr> <td>Supplier monthly evaluation</td> <td>Monthly evaluation is carried out according to quality, delivery time, service and other items.</td> </tr> <tr> <td>Supplier regular audit</td> <td>Based on the monthly evaluation scores of the previous year and the principle of evaluation once a year, audits are conducted on the supplier's quality system, environment-related</td> </tr> </table>	Supplier selection and evaluation	After the investigation and selection of suppliers, evaluations are carried out in written, sample and on-the-spot ways.	Supplier monthly evaluation	Monthly evaluation is carried out according to quality, delivery time, service and other items.	Supplier regular audit	Based on the monthly evaluation scores of the previous year and the principle of evaluation once a year, audits are conducted on the supplier's quality system, environment-related	<p><b>No major difference</b></p> <p><b>No major difference</b></p> <p><b>No major difference</b></p>
Supplier selection and evaluation	After the investigation and selection of suppliers, evaluations are carried out in written, sample and on-the-spot ways.									
Supplier monthly evaluation	Monthly evaluation is carried out according to quality, delivery time, service and other items.									
Supplier regular audit	Based on the monthly evaluation scores of the previous year and the principle of evaluation once a year, audits are conducted on the supplier's quality system, environment-related									

					substance control, social responsibility, and hygiene and safety. Concerning social responsibility audit, the Company will select and audit 35 material suppliers on their 1. Employees and business ethic, 2. Safety and welfare, 3. Environment and systems by visiting or their self-evaluation per the Company's purposed annual evaluation plan.	
				Supplier training	In principle, once a year, but it can be done at any time when necessary, in order to train suppliers to meet the latest international regulations, meet customer quality requirements or not violate prohibited substance regulations.	
				Supplier evaluation performance management	Appropriate rewards and punishments will be given according to the comprehensive calculation and evaluation of the supplier's monthly assessment and regular audit scores.	
5. Does the company reference internationally accepted reporting standards or guidelines, and prepare the sustainability report, etc. that disclose non-financial information of the company, such as sustainable reports? Do the reports above obtain assurance from a third-party verification unit?		V		The Company has prepared the 2024 sustainability report in accordance with the standards, published by the Global Reporting Initiative (GRI), which will be completed before early August 2025, and reported before late August 2025. We have not made arrangements for obtaining assurance or guaranteed opinion from the third-party verification unit.	Relevant matters are still under planning. The Company is currently starting to collect data by referring to the contents of sustainable corporate responsibility reports of other listed companies. It is expected to start compiling the sustainability report in 2024.	
6. If the Company has established the Sustainable Development principles based on "the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies", please describe any discrepancy between the Principles and their implementation: The Company established a code of practice for sustainable development in December 2022, and is currently gradually promoting its contents.						
7. Other important information that helps understand the implementation of sustainable development: (1) The Company's environmental protection policy: cherish resources, love the earth, do not waste, do not pollute, abide by relevant environmental protection laws and regulations and customer environmental protection needs. (2) Environmental protection: The Company's waste materials are recycled and reused by organizations with waste removal permit certification. (3) Community participation, social contribution, social service, and social welfare: Donate fund for activities of nearby communities of Changhua factory, and donate fund for hosting elementary school anniversary activities. (4) Consumer rights and interests: The Company purchases USD 10 million product liability insurance.						

## Climate-Related Information for Listed Companies

### 1 Implementation of Climate-Related Information

Item	Implementation
1. Explanation of the board and management's oversight and governance of climate-related risks and opportunities.	In 2024, the Company, by resolution of the Board of Directors, established the Sustainable Development Committee, under which the former sustainable development unit was set up. The General Manager served as the convener. The committee holds periodic meetings with relevant department heads to discuss sustainability issues. The committee consists of sub-groups focused on corporate governance, environmental sustainability, employee rights, and social engagement. Annually, the committee presents progress reports, achievements, and future plans to the Board. The Board reviews the sustainable development committee's reports to oversee implementation progress, assesses the effectiveness of the outcomes, and adjusts strategies and goals as necessary. Climate-related risks and opportunities are managed under the environmental sustainability sub-group, with oversight from relevant supervisors and the Board, to address operational challenges arising from climate events.
2. Explanation of how identified climate risks and opportunities affect business, strategy, and finance (short-term, medium-term, long-term).	<p>Climate Risks: The Company has identified significant climate-related risks affecting our business and finances:</p> <p>Short-term: Natural disasters such as typhoons, floods, and snowstorms can disrupt production and operations, leading to losses. This may require changes in production strategies, such as diversifying production sites and supply sources, which in turn increases financial costs.</p> <p>Medium to Long-term: To meet customer demands, comply with national carbon reduction policies, domestic climate change response laws, and the global net-zero carbon emissions target by 2050, the company has set annual carbon reduction goals. Achieving these goals necessitates changes in energy usage and the addition of related equipment, increasing capital expenditures and introducing financial uncertainties.</p> <p>Climate Opportunities: Our company has identified significant climate-related opportunities affecting our business and finances:</p> <p>Short-term: Implementing energy-saving and carbon reduction measures, material recycling and reuse, and renewable energy management can reduce waste generation and lower operational costs, resulting in cost savings.</p> <p>Medium to Long-term: Responding to market trends towards energy-saving and carbon reduction, the demand for low-carbon products, such as electric vehicles, is rising. Developing components for electric vehicles broadens our business offerings and expands our scale of operations.</p>
3. Explanation of the financial impact of extreme climate events and transition actions.	Extreme climate events, such as typhoons, floods, heavy rainfall, and snowstorms, significantly affect our company's production and operations. These events can disrupt the transportation of personnel and goods, cause power and water outages, and damage equipment, leading to production halts and losses, thereby reducing revenue and profits. To mitigate the impact of climate change, the company must implement transition actions, including altering the energy structure, installing preventive equipment, diversifying production sites, and establishing multiple suppliers. These transition actions

	require substantial capital investment, increasing financial costs.
4. Explanation of how the identification, assessment, and management of climate risks are integrated into the overall risk management system.	The Company has implemented a Crisis Management Policy, which includes the formation of crisis response teams for different types of crises, including climate risks. These crisis teams conduct regular training and exercises. Given the increasing threat of climate-related crises, we will strengthen the climate risk crisis team's capability to identify and manage climate risks. This involves both preventive measures for known potential emergencies and simulations to prepare for unpredictable crises, aiming to minimize potential damage.
5. Explanation of the use of scenario analysis to assess resilience to climate change risks, including scenarios, parameters, assumptions, analytical factors, and key financial impacts.	The Company currently does not use scenario analysis for assessments. However, we plan to implement scenario analysis models in the future to evaluate our resilience to climate change risks. This approach will inform the development of relevant strategies and risk management measures, aiming to mitigate financial impacts.
6. Explanation of transition plans for managing climate-related risks, including plan details and the indicators and targets for identifying and managing physical and transition risks.	Our transition plan will be progressively rolled out according to the company's specific conditions. At present, to align with the carbon reduction trend, we are implementing voluntary carbon reduction initiatives. These initiatives include promoting and executing various energy-saving and carbon reduction measures, such as upgrading outdated machinery and equipment, improving processes, using LED lighting, promoting paperless forms, and controlling indoor air conditioning temperatures with timers. Additionally, we are exploring the integration of solar power generation to increase the proportion of renewable energy, aiming to reduce carbon emissions.
7. Explanation of the basis for setting prices if internal carbon pricing is used as a planning tool.	The Company has not implemented internal carbon pricing yet. In the future, we plan to establish internal carbon pricing based on our actual circumstances and carbon reduction strategies, using it as a tool to help achieve our carbon reduction targets.
8. Explanation of climate-related targets, including covered activities, greenhouse gas emission scopes, timelines, annual progress, and the use of carbon offsets or renewable energy certificates (recs).	The Company has planned to establish climate-related targets. However, our self-assessment of greenhouse gas emissions indicates that Scope 2 emissions are the largest source. Once the company-wide assessment is completed, the Sustainable Development Task Force will use the collected data to develop a carbon reduction schedule and set targets. The task force will also oversee and monitor the progress of these initiatives.
9. Assessment of greenhouse gas emissions and assurance of reduction targets, strategies, and detailed action plans (also to be filled in sections 1-1 and 1-2).	Please refer to the explanations provided in sections 1-1 and 1-2 below.

## 1-1 Greenhouse Gas Assessment and Verification of the Past Two Years

### 1-1-1 Greenhouse Gas Assessment Details

This section outlines the emissions (in metric tons of CO<sub>2e</sub>), intensity (metric tons of CO<sub>2e</sub> per million dollars), and scope of data coverage for the recent two years.

Below is the greenhouse gas emissions data for the Company's main production facilities (Dongguan, Kunshan, Changhua) and headquarters over the last two years, yet to undergo third-party verification. The third-party verification has been completed for the Kunshan factory, while it is to be planned for other factories one after another.

Year	Scope 1	Scope 2	Scope 3	Emission Intensity (million revenue)
2024	1,108	15,461	1,537	3.06
2023	1,040	12,793	3,064	3.17

### 1-1-2 Greenhouse Gas Assurance Information

This section outlines the assurance status for the most recent two years up to the printing date of the annual report, detailing the scope, provider, criteria, and opinion of assurance.

For the most recent two years, the Company has undergone external assurance verification for greenhouse gases, as described as follows:

Year	Assurance Scope	Assurance Organization	Assurance Standards	Assurance Opinion
2023	Taipei	-	ISO 14064-1:2018	-
	Changhua	-		-
	Dongguan	-		-
	Kunshan	CTI		Reasonable Guarantee Level
2024	Taipei	Under Planning		Under Planning
	Changhua			
	Dongguan			
	Kunshan			

### 1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

This section provides details on the baseline year and data for greenhouse gas reduction, reduction targets, strategies, specific action plans, and the status of achieving these targets.

The Company has planned to establish climate-related goals. However, in response to the carbon reduction trend, the Company is actively pursuing voluntary carbon reduction measures. These initiatives include advocating and implementing various energy-saving and carbon-reduction strategies such as upgrading machinery and equipment, optimizing relevant processes, transitioning to LED lighting fixtures, promoting the use of paperless forms, implementing timers for indoor air conditioning temperature control, and exploring the integration of solar power generation to enhance the proportion of renewable energy sources and achieve carbon emission reductions.

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

**Implementation of Ethical Corporate Management and Measures Adopted and Deviations from the "Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons**

Evaluation Item	Implementation Status			Status on discrepancy and reasons in relation to the best practices governing ethical corporate management of TWSE/TPEX listed companies
	Yes	No	Abstract Explanation	
<p>1. Establishment of ethical corporate management policies and programs</p> <p>(1) Does the company establish an ethical corporate management policy that was approved by the Board of Directors, and declare its ethical corporate management policies and procedures in its guidelines and external documents, as well as the commitment from its board to implement the policies?</p> <p>(2) Does the company establish mechanisms for assessing the risk of unethical conduct, periodically analyze and assess operating activities within the scope of business with relatively high risk of unethical conduct, and formulate an unethical conduct prevention plan on this basis, which at least includes preventive measures for conduct specified in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?</p> <p>(3) Does the company establish policies to prevent unethical conduct with clear statements regarding relevant procedures, guidelines of conduct, punishment for violation, rules of appeal, and the commitment to implement the policies and periodically review and revise the plan?</p>	V		(1) The Company has a code of integrity management approved by the board of directors, which is disclosed on its website.	No major difference.
	V		(2) The Company's "Integrity Management Operation Procedures and Behavior Guide" clearly prohibits bribery and bribery offering or accepting improper benefits, not providing or promising facilitation payments, not providing illegal political contributions, improper charitable donations or sponsorship, leakage of business secrets and dishonest behaviors have taken preventive measures.	No major difference.
	V		(3) The Company has "Integrity Management Operation Procedures and Behavior Guidelines", which clearly stipulates the handling procedures and related norms of each plan.	No major difference.
<p>2. Fulfill operations integrity policy</p> <p>(1) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?</p> <p>(2) Does the company establish a dedicated unit under the board of directors to promote ethical corporate management, and periodically (at least once a year) report to the Board of Directors and supervise the implementation of the ethical corporate management policy and unethical conduct prevention plan?</p> <p>(3) Does the company establish policies to prevent conflicts of</p>	V		(1) The Company has a transaction commitment in the "Supplier Code and Commitment Letter" in the supplier manual: Do not make any bribes or engage in improper interests to the Company's employees or related persons.	No major difference.
	V		(2) The Company's General Management Department is responsible for promoting integrity management of enterprise. On December 30, 2024, it sent an integrity management briefing to all directors and employees to conduct publicity and education, asking colleagues to pay	No major difference.

Evaluation Item	Implementation Status			Status on discrepancy and reasons in relation to the best practices governing ethical corporate management of TWSE/TPEX listed companies
	Yes	No	Abstract Explanation	
<p>interest and provide appropriate communication channels, and implement it?</p> <p>(4) Has the company established effective systems for both accounting and internal control to facilitate ethical corporate management, and are they audited by either internal auditors unit formulate audit plans based on unethical conduct risk assessment results, and does it audit compliance with the unethical conduct prevention plan or CPAs to perform the audit?</p> <p>(5) Does the company regularly hold internal and external educational trainings on operational integrity?</p>	V		<p>attention to matters when performing business, and reported to the Board of Directors on March 13, 2025.</p> <p>(3) The Company's service contract prevents direct or indirect profit-seeking behaviors of employees and related parties. Those who need to make a statement can report to the legal and audit departments.</p> <p>(4) In order to implement integrity management, the Company has established a control mechanism in the accounting system and internal control system. The Audit Department is based on various annual audit plans to strengthen prevention of high-risk operations.</p> <p>(5) On December 30, 2024, the Company conducted an integrity management policy publicity for the current directors and all employees, with a total of 194 person-times. The syllabus of the course includes an explanation of the purpose of the "Code of Integrity Management", the objects subject to regulation, what is dishonest behavior, and the scope of preventing dishonest behavior.</p>	<p>No major difference.</p> <p>No major difference.</p> <p>No major difference.</p>
<p>3. Operation of the integrity channel</p> <p>(1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?</p> <p>(2) Does the company establish standard operating procedures for confidential reporting on subsequent measures and investigating accusation cases after completing investigation?</p> <p>(3) Does the company provide proper whistleblower protection?</p>	V		<p>(1) The Company has established a code of ethical conduct to encourage the reporting of any illegal and unethical behavior, and has set up a reporting mailbox for dedicated personnel to handle related matters.</p> <p>(2) The Company formulates whistleblowing system procedures, and carefully investigates and collects evidence in a confidential manner.</p> <p>(3) The Company accepts reports and keeps confidential and protects the identity of the whistleblower.</p>	<p>No major difference</p> <p>No major difference.</p> <p>No major difference.</p>
<p>4. Strengthening information disclosure</p> <p>Does the company disclose its ethical corporate management policies and the results of its implementation on the company's website and MOPS?</p>	V		<p>(1) The Company discloses the code of integrity management on the website.</p>	<p>No major difference.</p>
<p>5.If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation: None</p>				
<p>6. Other important information to facilitate a better understanding of the company's ethical corporate management policies: None</p>				

(7) Other significant information that will provide a better understanding of the state of the company's implementation of corporate governance may also be disclosed : None

(8) Internal control status

1. Internal control statement:

Well Shin Technology Co., Ltd.  
Internal Control Statement

Date: March 13, 2025

The Company's internal control system for 2024 is based on the results of its self-assessment, and hereby declares as follows:

1. The Company is well aware that the establishment, implementation and maintenance of an internal control system is the responsibility of its Board of Directors and managers, and the Company has already established such a system. Its purpose is to achieve the goals of operation effectiveness and efficiency (including profit, performance, and asset security protection, etc.), report reliability, timeliness, transparency, and compliance with relevant norms and laws and regulations, and provide reasonable assurance.
2. Due to the inherent limitations of the internal control system, no matter how perfect the design is, an effective internal control system can only provide reasonable guarantees for the achievement of the above three objectives. Moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. However, the company's internal control system has a self-monitoring mechanism, and corrective actions will be taken as soon as a deficiency is identified.
3. The Company judges whether the design and implementation of the system are effective based on the items for judging the effectiveness of the internal control system stipulated in the "Guidelines for the Establishment of Internal Control Systems by Public Offering Companies" (hereinafter referred to as "the Guidelines"). The internal control system judgment items adopted in the "Processing Criteria" follow the process of management control and divide the internal control system into five components: (i.) Control environment, (ii.) Risk assessment, (iii.) Control operations, (iv.) Information and communication, and (v.) Supervise operations. The elements of each component include several items. For the aforementioned items, please refer to the provisions of the "Handling Guidelines".
4. The Company has now adopted the above-mentioned internal control system to judge projects and evaluate the effectiveness of the design and implementation of its internal control system.
5. Based on the inspection results of the preceding paragraph, the Company believes that its internal control system (including the supervision and management of subsidiaries) on December 31, 2023, covering the understanding of the effect of operations and the degree of achievement of efficiency goals, and the reporting system are all reliable, timely, transparent and compliance with regulations and relevant laws and regulations. The design and implementation of relevant internal control systems are effective and can reasonably ensure the achievement of the above goals.
6. This statement is the main content of the Company's annual report and prospectus, and will be made public. If falsehood, concealment, or other illegal matters are found in the above-mentioned disclosed content, it will involve legal liabilities under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
7. This statement was approved by the Company's Board of Directors on March 13, 2025. Among the seven directors present, none of them held objections. All of them agreed with the content of this statement, and hereby declare.

Well Shin Technology Co., Ltd.

Chairman: Signature

General Manager: Signature

2. If an accountant is commissioned to review the internal control system, the audit report of the accountant shall be disclosed: None.

(9) In the most recent year and up to the date of publication of this annual report, review of the important resolutions of the Shareholders' Meeting and the Board of Directors and the resolutions of the shareholders' regular meeting and their implementation:

1. Important resolutions of the Shareholders' Meeting and the Board of Directors in the most recent year and as of the date of publication of this annual report:

Date	Category	Important Resolutions
2024.03.15	Board meeting	<p>1. Report items:</p> <p>(1) Report on the implementation of internal audit matters.</p> <p>(2) The performance evaluation report of the Board of Directors for 2023.</p> <p>(3) A report on the implementation of the corporate integrity management policy in 2023.</p> <p>(4) Report on the Company and its consolidated subsidiaries' greenhouse gas inventory and verification schedule planning.</p> <p>2. Discussion items:</p> <p>(1) The "Evaluation of the Effectiveness of the Internal Control System" and the "Statement of the Internal Control System" in 2023.</p> <p>(2) The case of the detached independence of accountants.</p> <p>(3) The distribution method and amount of remuneration for employees and directors in 2023.</p> <p>(4) The 2023 financial report, business report and profit distribution proposal.</p> <p>(5) The 2023 annual surplus distribution cash dividend case.</p> <p>(6) Proposal to pre-approve the CPA, its firm, and the affiliates of its firm to provide non-certified services for the Company and the Company's subsidiary.</p> <p>(7) In response to business development and financial management needs, the Company plans to apply for a short-term credit line from the bank.</p> <p>(8) Amendment of the "Audit Committee Charter".</p> <p>(9) Amendments to the "Regulations governing Board of Directors' meetings."</p> <p>(10) CONNTEK INTEGRATED SOLUTIONS INC., a 100% grandson company re-invested by the Company, intends to lease property from CISKO LLC, another grandson company of the Company with 100% investment for operation purpose.</p> <p>(11) To formulate a proposal on matters related to the 2024 ordinary shareholders meeting.</p>
2024.05.10	Board meeting	<p>1. Report items:</p> <p>(1) Report on the implementation of internal audit matters.</p> <p>(2) Report on the Company and its consolidated subsidiaries' greenhouse gas inventory and verification schedule planning.</p> <p>(3) Report on promotion status of the sustainable development promotion unit.</p> <p>2. Discussion items:</p> <p>(1) Replacement of CPAs due to internal rotation of the accounting firm.</p> <p>(2) The Company's consolidated financial report for first quarter of 2024.</p> <p>(3) The Company's 2024 business plan.</p>
2024.07.05	Board meeting	<p>1. Report items:</p> <p>(1) The Company purchases "director liability insurance".</p> <p>(2) The Company disposed of the land located at Lot Nos. 556-1 &amp; 557, Qingxi Section, Zhongli Dist., Taoyuan City; this case was reported to</p>

		<p>the Board of Directors subject to the Company’s management procedure of acquisition or disposal of assets.</p> <p>2. Discussion items:</p> <p>(1) The base date of the Company's 2023 surplus distribution cash dividend and its distribution date.</p> <p>(2) Proposal to apply for short-term credit line from banks for business development and financial management.</p>
2024.08.12	Board meeting	<p>1. Report items:</p> <p>(1) Report on the implementation of internal audit matters.</p> <p>(2) Report on the Company and its consolidated subsidiaries’ greenhouse gas inventory and verification schedule planning.</p> <p>2. Discussion items:</p> <p>(1) The Company’s 2024 second quarter consolidated financial statement.</p> <p>(2) In order to establish a base suitable for production in the U.S. in response to needs for operation development, it is proposed to authorize the chairman to purchase the real estate in the U.S. within the amount of US\$20 million.</p> <p>(3) Due to needs for purchase of real estate, a 100% sub-subsidiary of the Company's reinvestment, intends to apply for a short-term financing from the Company in the amount of US\$16 million.</p> <p>(4) Due to business and capital turnover needs, CONNTEK INTEGRATED SOLUTIONS INC., a 100% sub-subsidiary of the Company's reinvestment, intends to apply for financing from the Company in the amount of US\$2.3 million.</p>
2024.10.09	Board meeting	<p>1. Discussion items:</p> <p>(1) The Company intends to set up a subsidiary (name of the company undecided) in Vietnam in the investment amount of US\$10.5 million.</p>
2024.11.11	Board meeting	<p>1. Report items:</p> <p>(1) Report on the implementation of internal audit matters.</p> <p>(2) Report on the Company and its consolidated subsidiaries’ greenhouse gas inventory and verification schedule planning.</p> <p>2. Discussion items:</p> <p>(1) The Company’s 2024 third quarter consolidated financial statement.</p> <p>(2) Discuss the proposal of establishment of the sustainable development committee and formulation of its charger.</p> <p>(3) Discuss the proposal of appointment of the Company’s 1<sup>st</sup> sustainable development committee members.</p> <p>(4) Discuss the proposal of addition of the “Regulations Governing Sustainable Information Management”.</p> <p>(5) Discuss addition of Enforcement Rules of “Operating Procedure for Sustainable Information Management” in the Internal Control System, and “Internal Audit of “Detailed Check List of Operation of Sustainable Information Management”.</p> <p>(6) Discuss addition of Proposal of “Operating Procedure of Preparation and Verification of Sustainability Report”.</p> <p>(7) Discuss the 2025 audit plan.</p> <p>(8) Due to business and capital turnover needs, CONNTEK INTEGRATED SOLUTIONS INC., a 100% sub-subsidiary of the Company's reinvestment, intends to apply for financing from the Company in the amount of US\$2.5 million.</p> <p>(9) Due to business and capital turnover needs, CONNTEK INTEGRATED SOLUTIONS INC., a 100% sub-subsidiary of the Company's reinvestment, intends to provide financing endorsement/guarantee for applying for financing from Cathay United Bank in the limit amount of US\$5 million.</p> <p>(10) Proposal to apply for short-term credit line from banks for business development and financial management.</p> <p>(11) Propose distribution of remuneration for directors and managers in 2023.</p>

		(12) Discuss distribution of year-end bonuses of managers of the Company.
2025.03.06	Board meeting	<p>1. Report items:</p> <p>(1) Reported the Company's purchase of the factory building at Xiding Rd., Xizi Dist., New Taipei City; this proposal was carried out subject to the Company's management procedure of acquisition or disposal of assets, and submitted to the Board of Directors for reference.</p> <p>2. Discussion items:</p> <p>(1) Proposed to increase the investment amount up to US\$30 million for WELL SHIN INDUSTRIES CORP., a 100% subsidiary of the Company's reinvestment.</p> <p>(2) Establish a production and operation base in Texas, USA in response to the investment and operation plan of the U.S. subsidiary, WELL SHIN INDUSTRIES CORP.; it was proposed that the said company purchased the factory building and office premises in the amount of US\$19.8 million.</p> <p>(3) WELL SHIN INDUSTRIES CORP., a 100% subsidiary of the Company's reinvestment, intended to apply for financing from CISKO LLC, a 100% sub-subsidiary of the Company's reinvestment.</p> <p>(4) CONNTEK INTEGRATED SOLUTIONS INC., a 100% sub-subsidiary of the Company's reinvestment, intends to request the Company for providing financing endorsement/guarantee in order to apply for the financing credit limit from the bank.</p>
2025.3.13	Board meeting	<p>1. Report items:</p> <p>(1) Report on the implementation of internal audit matters.</p> <p>(2) Proposal of the detached independence of accountants.</p> <p>(3) A report on the implementation of the corporate integrity management policy in 2024.</p> <p>(4) Report on the Company and its consolidated subsidiaries' greenhouse gas inventory and verification schedule planning.</p> <p>2. Discussion items:</p> <p>(1) The "Evaluation of the Effectiveness of the Internal Control System" and the "Statement of the Internal Control System" in 2024.</p> <p>(2) The case of the detached independence of accountants.</p> <p>(3) The 2024 financial report, business report and profit distribution proposal.</p> <p>(4) The distribution method and amount of remuneration for employees and directors in 2024.</p> <p>(5) The 2024 annual surplus distribution cash dividend case.</p> <p>(6) The 2025 business plan.</p> <p>(7) Discussed the matter that Well Shin Electronic (Kunshan) Co., Ltd., a 100% company of the Company's reinvestment, engaged others to build the factory buildings on its own land.</p> <p>(8) In response to business development and financial management needs, the Company plans to apply for a short-term credit line from the bank.</p> <p>(9) Proposal of amendment of "Articles of Association".</p> <p>(10) Proposal of formulation of "Rules Governing Financial and Business Matters Between Related Parties".</p> <p>(11) Proposal of proposed period and place for acceptance of shareholders' proposal of motions on shareholders' meeting.</p> <p>(12) To formulate a proposal on matters related to the 2025 general shareholders meeting.</p>

2. Review on the implementation of the resolutions of the most recent annual general meeting of shareholders:

Contents of important resolutions passed at the 2024 general meeting of shareholders and their implementation:

<p>The implementation status and review of the resolutions passed at the shareholders' regular meeting on June 25, 2024</p>	<p>1. Approved the 2023 annual business report and financial report: Implementation status: Implementation completed.</p> <p>2. Approved the 2023 surplus distribution plan: Implementation status: July 19, 2024 is hereby set as the distribution base date, and August 16, 2024 is the distribution date. (Cash dividend NT\$3.0 per share.): Implementation completed.</p>
---	--

(10) In the most recent year and as of the date of publication of this annual report, directors or supervisors have different opinions on important resolutions passed by the Board of Directors and there are records or written statements, and their main contents: None.

4. Information on the professional fees of the attesting CPAs

Amount Unit: NT\$ thousand

Name of accounting firm	Name of accountants		Accountant review period	Audit fees	Non-audit fees	Total	Note
PwC Taiwan	Lin, Se-kai	Liang, Yi-zhang	2024/01/01-2024/12/31	3,200	315	3,515	

Note: Non-audit fees include transfer pricing report.

1. If the accounting firm is changed and the audit fee paid in the replacement year is lower than the audit fee in the previous year, the amount of audit fees before and after the replacement and the reason must be disclosed: None.
2. Where audit fees have decreased by more than 10% compared to the previous year, the amount, proportion and reasons for the decrease in audit fees must be disclosed: None.

The so-called audit fee refers to the Company's payment to certified accountants for financial report audit, review, and re-examination.

5. Information on change of accountant:

(1) About the Former CPA:

Date of replacement	Accountants were replaced to certify the financial statements of Q1, 2024.		
Reason for replacement and note	Due to adjustment of the internal management organization, CPAs Liang, Yi-Zhang and Zhou, Xiao-Zi were replaced by CPAs Lin, Se-Kai and Liang, Yi-Zhang.		
Termination or appointment rejection by the appointer or CPAs	Interested party		Appointor
	Status	CPA	
	Decided to terminate the appointment	Not applicable	Not applicable
	Appointment/reappointment rejection	Not applicable	Not applicable
Opinions in and reason for audit reports issued other than unqualified opinion in the last two years	Not applicable		
Disagreement with the issuer (Yes/No)	Yes		Accounting principles or practices
			Disclosure of financial statements
			Audit scope or procedure
			Others
	No	V	
	Description: Not applicable		
Other disclosures (Matters to be disclosed as set out in Sub-clause 10.6.1.4 through 10.6.1.7 of these Regulations)	None		

(2) About Successor CPAs:

Name of CPA firm	PwC Taiwan
Name of CPA	Lin, Se-Kai and Liang, Yi-Zhang
Date of appointment	Accountants were replaced to certify the financial statements of Q1, 2024.
Consultancy and result before appointment concerning the accounting practices or principles for specific transactions and the opinions possibly offered on financial statements	Not applicable
New CPA's written opinion on the matters on which the former CPA had different opinions	Not applicable

(3) The Reply of Former CPAs on Article 10.6.1 and Article 10.6.2.3 of the Standards: None

6. Whether the Company's chairman, general manager, and manager in charge of financial or accounting affairs have worked in the firm of the certified accountant or its affiliated enterprises within the last year: None.

7.Changes in equity transfers and equity pledges of the Company's directors, managers, and shareholders holding more than 10% of its shares in the most recent year and as of the date of publication of this annual report

(1) Changes in equity of directors, managers and major shareholders

Unit: thousand shares

Title	Name	2024		The current year ends on April 27	
		Number of shares held increased (decreased)	Number of pledged shares increased (decreased)	Number of shares held increased (decreased)	Number of pledged shares increased (decreased)
Director	Yen Ting Investment Co., Ltd.	0	0	0	0
Chairman (Legal representative)	Wu, Jui-Hsiung	(62,000)	0	(59,000)	0
Director/Major Shareholder	Cheng Uei Precision Industry Co., Ltd.	0	0	0	0
Director (legal representative)	Lin, Kuen-Huang	0	0	0	0
Director (legal representative)	Guo, Shou-Fu	0	0	0	0
Director (legal representative)	Liu, Su-Fang	0	0	0	0
Director (legal representative)	Lo, Chih-We	0	0	0	0
Independent director	Li, Hsiao Wen	0	0	0	0
Independent director	Tseng, Chen-Hsien	0	0	0	0
Independent director	Liao, Fu-Lung	0	0	0	0
Independent director	Zhou, Long-Chuan	0	0	0	0
General manager	Wu, Jui-Hsiung	0	0	0	0
Special Assistant to the General Manager's Office	Wu, Rui-Lian	0	0	(49,000)	0
Deputy general manager	Wu, Jian-Te	0	0	0	0
Associate manager	Liao, Hui-Ren	0	0	0	0
Associate manager	Chen, Shu-Juan	0	0	0	0
Associate manager	Yu, Chia-Te	0	0	0	0
Associate manager	Zhou, Huang-Qing	0	0	0	0

(2) The counterparty of the equity transfer is a related party:

**Information on equity transfer**

Wu, Rui-Lian	Disposal (Gift)	2025.04.23	Lin Kaijie	Grandparents gifting grandson	16,000	49.00
Wu, Rui-Lian	Disposal (Gift)	2025.04.23	Lin Youle	Grandparents gifting grandson	16,000	49.00
Wu, Rui-Lian	Disposal (Gift)	2025.04.23	Lin Yuxiang	Grandparents gifting grandson	16,000	49.00
Wu, Rui-Lian	Disposal (Gift)	2025.04.23	Wu Yunting	Grandparents gifting grandson	1,000	49.00
Tang Suqing	Disposal (Gift)	2025.04.23	Wu Yunting	Grandparents gifting grandson	49,000	49.00

Note 1: Fill in the names of the company's directors, supervisors, managers and shareholders holding more than 10% of the shares.

Note 2: It refers to acquisition or disposal.

(3) The relative person of the equity pledge is a related party: None

8. Information on the relationship among the top 10 shareholders, spouses, or relatives within the second degree:

Shareholding ratio accounts for the top ten shareholders, and their mutual relationship

April 27, 2025; unit: share

Name	Self Shareholding		Spouse & Minor Shareholding		Total shares held in the name of others		For the top ten shareholders who are related to each other or are spouses or relatives within the second degree, their titles or names and relationship		Note
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Title (or Name)	Relationship	
Cheng Uei Precision Industry Co., Ltd.	22,282,424	18.84%							
FOXLINK TAIWAN INDUSTRY CO., LTD.	5,238,035	4.43%							
Wu, Jui-Hsiung	3,763,126	3.18%	3,415,230	2.89%			Shi Mingji, Yan Ting Investment Co., Ltd.	Couple Wu, Jui-Hsiung is chairman of Yanting Investment Co. Ltd.	
Shi Mingji	3,415,230	2.89%	3,763,126	3.18%			Wu, Jui-Hsiung Yan Yi Investment Co. Ltd.	Couple Shi Mingji is chairman of Yanyi Investment Co. Ltd.	
Yan Yi Investment Co., Ltd.	2,841,823	2.40%					Shi Mingji	Shi Mingji is chairman of Yanyi Investment Co. Ltd.	
Yanting Investment Co. Ltd.	2,841,823	2.40%					Wu, Jui-Hsiung	Wu, Jui-Hsiung is chairman of Yanting Investment Co. Ltd.	
Zhengfa Investment Co., Ltd.	2,531,117	2.14%							
Jinsheng Investment Co., Ltd.	2,434,853	2.06%							
Hefong United Co., Ltd.	2,342,000	1.98%							
Weihong Investment Co., Ltd.	2,186,017	1.85%							
Hengrong Investment Co., Ltd.	2,169,201	1.83%							
Lin, Kuen-Huang (Note 1) (Note 2)	6,723	0.01%	6,723	0.01%					
Liu, Su-Fang (Note 1) (Note 3)	0	0							
Lo, Chih-We (Note 1)	1,153	0.00%	0	0					
Wu, Jui-Hsiung (Note 4)	3,763,126	3.18%	3,415,230	2.89%					
Chen Siqing (Note 5)	680	0.00%	942	0.00%					
Su Huichen (Note 6)	0	0	0	0					
Chen Yilun (Note 7)	480,775	0.41%	318,371	0.27%					

Note 1: The legal representative of Cheng Uei Precision Co., Ltd.

Note 2: (Acting) Chairman of Zhengfa Investment Co., Ltd.

Note 3: (Acting) Chairman of Taiwan Fulin Investment Co., Ltd.

Note 4: The legal representative of Yen Ting Investment Co., Ltd.

Note 5: Chairman of Jinsheng Investment Co., Ltd.

Note 6: Chairman of Hefong United Co., Ltd.

Note 7: Chairman of Weihong Investment Co., Ltd.

9. Shareholding of the company, its directors, supervisors, managers, and enterprises directly or indirectly controlled by the company on the same reinvested enterprise. The number of shares, and the ratio of consolidated shareholdings:

March 31, 2025; Unit: thousand shares; %

Reinvested business (Note)	Investment of the Company		Directors, supervisors, managers, and investments in directly or indirectly controlled enterprises		Comprehensive investment	
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio
Power Cord Designing Technology Co., Ltd.	14,250	100.00	-	-	14,250	100.00
Bright Designing Technology Co., Ltd.	35,817	100.00	-	-	35,817	100.00
Smart Think Technology Co., Ltd.	22,500	100.00	-	-	22,500	100.00
Well Shin Industries Corp.	1,000	100.00	-	-	1,000	100.00

Note: The Company adopts the equity method for long-term investment.

### III. Situation of fundraising

#### 1. Capital and shares

##### (1) Source of share capital

##### 1. Share capital formation process

Unit: NT\$ thousand, thousand shares

Month/Year	Issue price	Approved share capital		Paid-in share capital		Note		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Using property other than cash to offset the share capital	Others
September 2002	NT\$10	100	1,000	100	1,000	Set up share capital	None	(Note 1)
November 2002	NT\$10	30,100	301,000	30,100	301,000	Capital increased by NT\$300,000,000 in cash	None	(Note 2)
October 2004	NT\$10	70,000	700,000	39,465	394,650	Capital increase of NT\$75,250,000 from surplus, capital increase of NT\$18,400,000 from employee bonus	None	(Note 3)
August 2005	NT\$10	70,000	700,000	58,994.5	589,945	Capital increase of NT\$118,395,000 from surplus, capital increase of NT\$26,900,000 yuan from employee bonus, capital increase of NT\$50,000,000 in cash	None	(Note 4)
February 2006	NT\$10	70,000	700,000	63,994.5	639,945	Capital increased by NT\$50,000,000 in cash	None	(Note 5)
August 2006	NT\$10	100,000	1,000,000	75,593.7	755,937	Capital increase of NT\$95,992,000 from surplus, capital increase of NT\$20,000,000 from employee bonus	None	(Note 6)
August 2007	NT\$10	100,000	1,000,000	81,873.4	818,734	Capital increase of NT\$37,797,000 from surplus, capital increase of NT\$25,000,000 from employee bonus	None	(Note 7)
October 2007	NT\$10	150,000	1,500,000	92,123.4	921,234	Capital increased by NT\$102,500,000 in cash	None	(Note 8)
August 2008	NT\$10	150,000	1,500,000	99,229.5	992,295	Capital increase of NT\$46,062,000 from surplus, capital increase of NT\$25,000,000 from employee bonus	None	(Note 9)
August 2009	NT\$10	150,000	1,500,000	102,111.5	1,021,115.4	Capital increase of NT\$19,846,000 from surplus, capital increase of NT\$8,974,000 from employee stock options	None	(Note 10)
January 2010	NT\$10	150,000	1,500,000	102,478.1	1,024,780.6	Capital increase of NT\$3,665,000 from employee stock options	None	(Note 11)
April 2010	NT\$10	150,000	1,500,000	103,234.9	1,032,349.0	Capital increase of NT\$7,568,000 from employee stock options	None	(Note 12)
August 2010	NT\$10	150,000	1,500,000	105,299.6	1,052,996.0	Capital increase of NT\$20,647,000 from surplus	None	(Note 13)
January 2011	NT\$10	150,000	1,500,000	106,460.2	1,064,601.8	Capital increase of NT\$11,606,000 from employee stock options	None	(Note 14)
April 2011	NT\$10	150,000	1,500,000	108,026.2	1,080,262.4	Capital increase of NT\$15,661,000 from employee stock options	None	(Note 15)
August 2011	NT\$10	150,000	1,500,000	110,186.6	1,101,867.7	Capital increase of NT\$21,605,000 from surplus	None	(Note 16)
October 2011	NT\$10	150,000	1,500,000	111,190.8	1,111,907.9	Capital increase of NT\$10,040,000 from employee stock options	None	(Note 17)
December 2011	NT\$10	150,000	1,500,000	111,227.9	1,112,279.3	Capital increase of NT\$371,000 from employee stock options	None	(Note 18)
December 2013	NT\$10	150,000	1,500,000	113,329.9	1,133,299.3	Capital increase of NT\$21,020,000 from employee stock options	None	(Note 19)
December 2013	NT\$10	150,000	1,500,000	113,644.9	1,136,449.3	Capital increase of NT\$3,150,000 from employee stock options	None	(Note 20)
December 2014	NT\$10	150,000	1,500,000	115,764.9	1,157,649.3	Capital increase of NT\$21,200,000 from employee stock options	None	(Note 21)
November 2015	NT\$10	150,000	1,500,000	118,257.9	1,182,579.3	Capital increase of NT\$24,930,000 from employee stock options	None	(Note 22)

Note 1: Letter No. 091185776 issued by the Taipei City Government on September 3, 2002.

Note 2: Letter No. 09101479170 issued by the Ministry of Economic Affairs on November 28, 2002

Note 3: Letter No. 09320901300 issued by the Taipei City Government on October 11, 2004.  
 Note 4: Letter No. 09401162220 issued by the Ministry of Economic Affairs on August 28, 2005.  
 Note 5: Letter No. 09501025270 issued by the Ministry of Economic Affairs on February 14, 2006.  
 Note 6: Letter No. 0950134140 issued by the Ministry of Economic Affairs on August 3, 2006.  
 Note 7: Letter No. 09601197770 issued by the Ministry of Economic Affairs on August 17, 2007.  
 Note 8: Letter No. 09601243580 issued by the Ministry of Economic Affairs on October 3, 2007.  
 Note 9: Letter No. 09701214370 issued by the Ministry of Economic Affairs on August 29, 2008.  
 Note 10: Letter No. 09801195270 issued by the Ministry of Economic Affairs on August 27, 2009.  
 Note 11: Letter No. 09901009220 issued by the Ministry of Economic Affairs on January 15, 2010.  
 Note 12: Letter No. 09901077530 issued by the Ministry of Economic Affairs on April 15, 2010.  
 Note 13: Letter No. 09901195610 issued by the Ministry of Economic Affairs on August 30, 2010.  
 Note 14: Letter No. 10001021650 issued by the Ministry of Economic Affairs on January 31, 2011.  
 Note 15: Letter No. 10001077360 issued by the Ministry of Economic Affairs on April 21, 2011.  
 Note 16: Letter No. 10001181920 issued by the Ministry of Economic Affairs on August 10, 2011.  
 Note 17: Letter No. 10001238560 issued by the Ministry of Economic Affairs on October 14, 2011.  
 Note 18: Letter No. 0001274950 issued by the Ministry of Economic Affairs on December 2, 2011.  
 Note 19: Letter No. 10201212450 issued by the Ministry of Economic Affairs on October 21, 2013.  
 Note 20: Letter No. 10201252220 issued by the Ministry of Economic Affairs on December 11, 2013.  
 Note 21: Letter No. 10301249270 issued by the Ministry of Economic Affairs on December 4, 2014.  
 Note 22: Letter No. 10401251030 issued by the Ministry of Economic Affairs on November 25, 2015.

## 2. Type of shares

April 27, 2025 ; Unit: share

Type of shares	Approved share capital			Note
	Outstanding shares	Unissued shares	Total	
Common stock	118,257,927	41,742,073	160,000,000	–

Note: listed stocks

3. Information about the comprehensive reporting system: None

- (2) List of major shareholders: (Shareholders whose shareholding ratio is more than 5% must be listed. If there are less than ten shareholders, the name, shareholding amount and proportion of the top ten shareholders must be disclosed)

April 27, 2025 ; Unit: share

Shares	Number of shares held	Shareholding ratio (%)
Name of major shareholders		
Cheng Uei Precision Industry Co., Ltd.	22,282,424	18.84%
Taiwan Fulin Investment Co., Ltd	5,238,035	4.43%
Wu, Jui-Hsiung	3,884,126	3.28%
Shi Mingji	3,417,230	2.89%
Yan Yi Investment Co., Ltd.	2,841,823	2.40%
Yen Ting Investment Co., Ltd.	2,841,823	2.40%
Zhengfa Investment Co., Ltd.	2,531,117	2.14%
Jinsheng Investment Co., Ltd.	2,434,853	2.06%
Hefong United Co., Ltd.	2,342,000	1.98%
Weihong Investment Co., Ltd.	2,186,017	1.85%

(3) The Company's dividend policy and its implementation

1. Dividend policy of the Company

If there is a surplus in the Company's annual final accounts, it should first pay taxes and make up losses according to law, and allocate another 10% as the statutory surplus reserve, but this is not the case when the statutory surplus reserve has reached the company's total capital. In addition, the special surplus reserve shall be withdrawn or reversed in accordance with relevant laws and regulations, and the balance shall be added to the accumulated undistributed surplus at the beginning of the period as the surplus available for distribution. The Board of Directors shall prepare a distribution proposal. In the case of issuing new shares, the distribution shall be submitted to the Shareholders' Meeting for resolution.

In accordance with Article 240 of the Company Act, the Company authorizes the Board of Directors to distribute dividends and bonuses or the resolutions stipulated in Article 241 of the Company Act with more than two-thirds of the directors present and a resolution of more than half of the directors present. All or part of the statutory surplus reserve and capital reserve shall be distributed in cash and reported to the Shareholders' Meeting.

The Company is in the stage of business growth, and its dividend distribution policy depends on factors such as the current and future investment environment, capital demand, and capital budget, while taking into account shareholders' interests, balanced dividends, and the Company's long-term financial planning. Regarding the distribution of shareholder dividends, stock dividends shall not exceed 70% of the total amount of dividends.

Under the above-mentioned policies, the Company currently distributes shareholders in the form of dividends based on no more than 90% of the distributable earnings. In addition, in response to future capital expenditure and capital operation needs, the cash dividend of its dividend distribution shall not be less than 20%.

2. In accordance with Article 28-1 of the Articles of Association, if the distribution of dividends and bonuses is made in the form of cash distribution, the Board of Directors must be authorized to make a resolution with more than two-thirds of the directors present and a majority of the directors present. The earnings distribution plan for 2024 has been approved by the Board of Directors to distribute a cash dividend of NT\$4 per share. Then, another board meeting will be held to set the ex-dividend base date and distribution date.

(4) The impact of the proposed free allotment of shares at this shareholders' meeting on the company's operating performance and earnings per share:

There is no proposed distribution of stock dividends for earnings of 2024, so it will not affect the Company's operating performance and earnings per share.

(5) Remuneration of employees, directors and supervisors

1. The percentage or scope of remuneration for employees, directors and supervisors specified in the Company's Articles of Association:

The Company shall deduct the benefits before the distribution of employee remuneration and remuneration of directors and supervisors according to the current year's pre-tax profits, and after retaining the amount to make up for losses, if there is any balance, the remuneration of directors and supervisors shall not exceed 0.5%. Employee remuneration ranges from 3% to 12%. The Board of Directors shall make a resolution after more than two-thirds of the directors are present and more than half of the directors present, and report it at the Shareholders' Meeting.

Employee remuneration can be paid in stock or cash, and the distribution objects include the Company's employees and those who meet certain conditions or employees of subordinate companies. Certain conditions shall be prescribed by the Board of Directors.

2. The basis for estimating the amount of remuneration for employees, directors, and supervisors in the current period is calculated on the number of shares of employee remuneration distributed by stock and the accounting treatment method when the actual distribution amount is different from the estimated amount:

The basis for calculating the amount of remuneration for employees, directors and supervisors is based on the Company's Articles of Association and deducting the interests before the

distribution of remuneration of employees, directors and supervisors according to pre-tax benefits of the current year. After retaining the amount to make up for losses, if there is any balance, no more than 0.5% of the remuneration of directors and supervisors, and 3% to 12% of the remuneration of employees shall be appropriated. The basis for the calculation of the number of shares allocated to employee stock compensation is based on the closing price of the day before the resolution of the Board of Directors. However, if there is a discrepancy between the actual distribution amount and the estimated amount as determined by the Board of Directors, it will be regarded as a change in accounting estimates and will be listed as profit or loss for the year of actual distribution.

3. The distribution of remuneration approved by the board of directors:

- (1) The Board of Directors resolves to use cash or stock to distribute the remuneration of employees and directors:

Unit: NT\$	
Item	2024
Director remuneration	1,124,207
Employee remuneration (paid in cash)	37,473,567

Differences from the year of recognized expenses, reasons and treatment:

The employee remuneration and director's remuneration of the above-mentioned resolution allotment amount decreased by NT\$82,226 compared with the NT\$38,680,000 recognized in the 2024 annual financial statements.

The difference from the accounted amount will be regarded as a change in accounting estimate and will be listed as profit or loss for 2024.

- (2) The amount of employee remuneration distributed by stock and the proportion of the current individual or individual financial report after-tax net profit and the total employee remuneration: 0%. No employee stock remuneration was distributed in 2024.

4. The actual allocation of employee remuneration and director remuneration in the previous year (including the number of shares distributed, amount and stock price), if there is any difference from the recognized employee remuneration and director remuneration, the difference, reason and handling situation shall be stated :

- (1) The shareholders' meeting of the company in the previous year (2024) approved the distribution of earnings for 2023, as follows:

Unit: NT\$	
Item	Amount
Employee remuneration	26,917,015
Director remuneration	1,076,680

Note: No employee stock remuneration was distributed

- (2) If there is any discrepancy between the above-mentioned amount and the recognized employee remuneration and director remuneration, the amount of the discrepancy, the reason, and the handling of the discrepancy shall be stated:

The employee remuneration and director remuneration of the above-mentioned resolution allotment amount decreased by NT\$86,305 compared with the NT\$28,080,000 recognized in the 2023 annual financial statements. The difference from the accounted amount will be regarded as a change in accounting estimate and will be listed as profit or loss for 2024.

- (6) The situation of the Company's repurchases of the Company's shares: None.

2. Handling status of corporate bonds (including overseas corporate bonds): None.

3. Handling status of special shares: None.

4. Participation in the issuance of overseas depositary receipts: None.

5. Handling of employee stock option certificates:
- (1) The Company's unexpired employee stock option certificates, disclosing the handling status and impact on shareholders' rights and interests as of the publication date of this annual report: None.
  - (2) Accumulated until the publication date of the prospectus, the managers who obtained the employee stock option certificates and the names of the top ten employees before obtaining the stock option certificates, their acquisition and subscription status: None.
6. The following matters shall be recorded in relation to the handling of new shares with restricted employee rights:
1. For new shares that have not fully met the vested conditions to restrict employee rights, the status of its handling as of the publication date of this annual report and the impact on shareholders' rights and interests should be disclosed: the Company has not yet issued new shares that restrict employee rights.
  2. Names and acquisition status of managers who have acquired new shares with restricted employee rights and the top ten employees who have acquired new shares accumulated up to the date of publication of this annual report: The Company has not yet issued new shares that restrict employee rights.
7. Status of merger and acquisition: None.
8. If the transfer of shares of another company is still in progress, the handling status: None.
9. Implementation of the fund utilization plan: None.

## IV. Operation Overview

### (1) Business content

#### 1. Business scope

##### (1) Main content of business:

The Company is a domestic professional manufacturer that mainly produces consumer products, motor and electrical power cord sets, plastic injection parts, sockets, adapters from various countries, power supplies, and electronic product assembly and OEM. The products are mainly used in related industries such as computer manufacturing, home appliance manufacturing, large-scale servers, electronics, and electrical equipment at home and abroad. In 2012, wireless communication and Bluetooth transmission products were added as a sustainable business enterprise. The Company is moving towards the direction of developing its own brand. Since 2015, product planning has not only strived for excellence in the industry, but also advanced into the IoT field with the popularity of smart phones. In terms of consumer products such as smart home, mobile business travel, and household power supplies, the Company has established three major brands: Smartbears, PLUGO, and JDB, to expand its operating scale.

The current main product range is as follows:

- ①. Personal computer peripherals and monitor power transmission line sets.
- ②. Notebook computer power transmission line set.
- ③. Power transmission lines for various household appliances, digital and traditional consumer electronics products, etc.
- ④. AC power transmission line for digital cameras and video cameras.
- ⑤. Various specifications of connectors, power plugs, sockets, adapters, modular plugs.
- ⑥. Various extension cord sets (power strip), surge protector, handheld product chargers
- ⑦. Outdoor generator power transmission lines, rubber lines, rubber products.
- ⑧. Wireless routers and Bluetooth transmission application products, and planning IoT Products.

##### (2) Operating proportion of main products

The Company's operating ratio as of 2024 is as follows:

Unit: NT\$ thousand

Product	Operating income	Operating ratio
Power cord sets for information and electrical appliances	5,352,108	90.37%
Sockets, plugs, adapters, combinations	405,028	6.84%
Others	165,057	2.79%
Total	5,922,193	100.00%

##### (3) Current commodity items

The Company mainly produces and sells various types of power cables. Its product categories include power cord sets for consumer products and electrical appliances, plastic injection parts, sockets and wall plugs for various countries, adapter plugs for various countries, power supplies and electronic product assembly. OEM etc. The scope of product application is as follows:

①. Consumer products and electrical appliances power cord set

These products are currently used in peripherals and monitors of personal computers, notebook computers, household appliances, consumer electronics, etc. The Company manufactures the above products with multi-national safety certification, and is a domestic professional manufacturer.

②. Sockets, plugs, adapters, combinations

These products are currently used in power conversion functions such as tablet computers, personal notebook computers, digital cameras, communication mobile phones and other consumer electronics products, and are suitable for overseas business trips and tourism. They are easy to carry and have obtained multi-national patents.

③. Power Supply Products

These products are used to charge mobile and handheld products, including mobile phones, navigation devices, tablet computers and other mobile devices. All products are developed and designed by the Company itself, from mold development to finished product assembly, etc., providing customers with one-stop service and diversified product designs to cater to consumer preferences for the appearance of technological products.

④. Intelligent Control Products

The market share of handheld mobile products and smart phones is gradually increasing, and their related peripherals and application products are also developing towards thinner, smaller and wireless. In addition to the wireless sharer, the Company also applies wireless and Bluetooth to the power supply products, combined with the software (APP) on the smart phone for remote control, so as to achieve the application of smart life.

⑤. Others

This part includes wire and cable related products and ODM and OEM for major manufacturers, hardware terminals, hardware knives and plastic products, etc. The Company is equipped with automated production equipment and professional technology. Its products have competitive advantages in quality and price, and are well received by the market.

(4) New products to be developed in the future

In recent years, smart home and Internet of Things products have flourished. The Company has accumulated its research and development strength for several years, integrating home power control, lighting control, wireless monitoring, security control, and providing consumers with a complete smart IoT solution. We have a complete solution leading the industry, and will continue to develop peripheral products related to the Internet of Things (IoT), such as water leakage monitoring, gas monitoring, smoke detection, etc., to complete the peripheral products of the IoT, thus building it into the first brand.

## 2. Industry overview

### (1) Current status and development of the industry

The Company is mainly engaged in power cord sets for consumer products and electrical appliances, plastic injection parts, sockets, adapters for various countries, power supplies and electronic product assembly OEM.

The power cord set has a wide range of uses. According to the characteristics of the applied terminal products, it can be mainly divided into professional uses such as electromechanical, home appliances, and information 3C.

Electromechanical applications are mainly used in professional fields such as water pumps, generators, medical appliances, vehicles and ships. Household appliances are used in daily household appliances, such as refrigerators, televisions, washing machines, etc. Information 3C applications are widely used in fields such as tablet computers, desktop/notebook computers, and computer room servers. With the increasing labor costs in the Chinese market, coupled with the growth of handheld smart products and thus shrinking the personal computer market, the Company is actively introducing unmanned manufacturing processes, speeding up robot

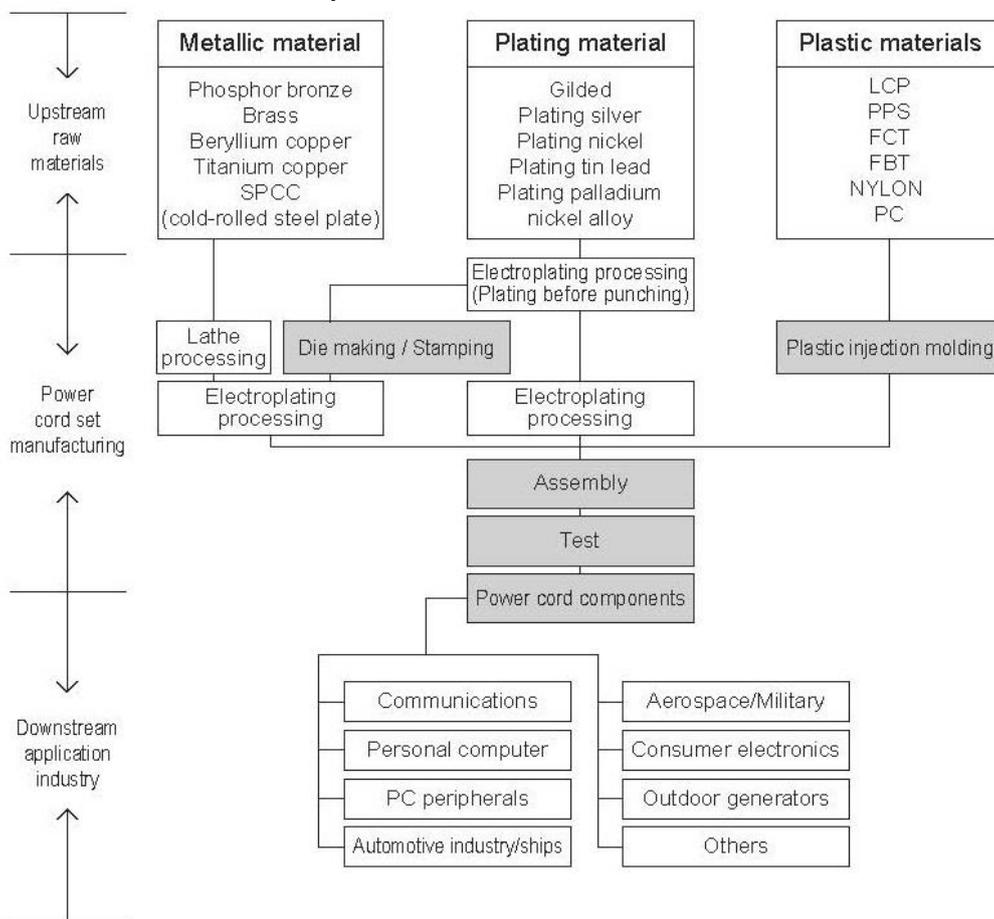
production and management, and reducing production costs. At the same time, the average unit price and gross profit of products are also increased, so that the Company maintains its competitiveness in the highly competitive market.

Smart handheld devices are becoming increasingly mature and saturated, and the cost of the IoT industry is also increasing strongly every year. After several years of hard work, the Company officially invested in the brand building and product sales of IoT products in 2015, and continued to invest in research and development in line with industry trends, so that the Company can continue to maintain a leading position in the development of new industries.

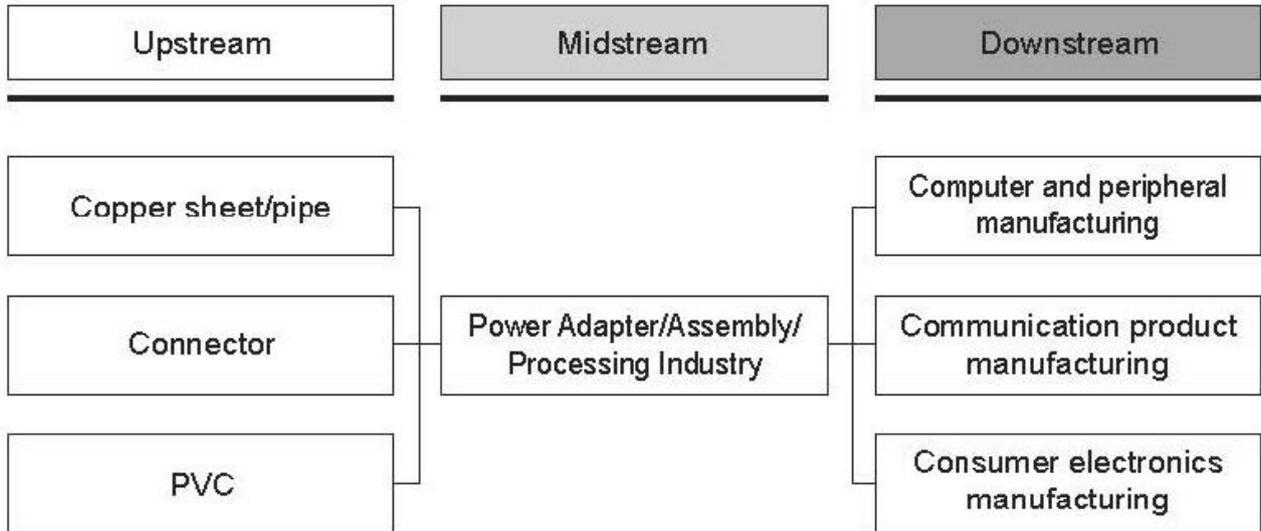
(2) The relationship between the upstream, midstream and downstream of the industry

The information technology (IT) industry is a capital-intensive industry. Compared with other industries, it needs to have a high degree of precision and leading technological standards. Therefore, the division of labor and specialization of this industry ranks first among all industries. Taiwan's IT industry has a complete division of labor between upstream, midstream, and downstream. The Company is a professional manufacturer of cable sets, and belongs to the midstream of the domestic electronics industry. It involves a wide range of related industries, and the correlation diagram of its related industries is hereby shown as follows:

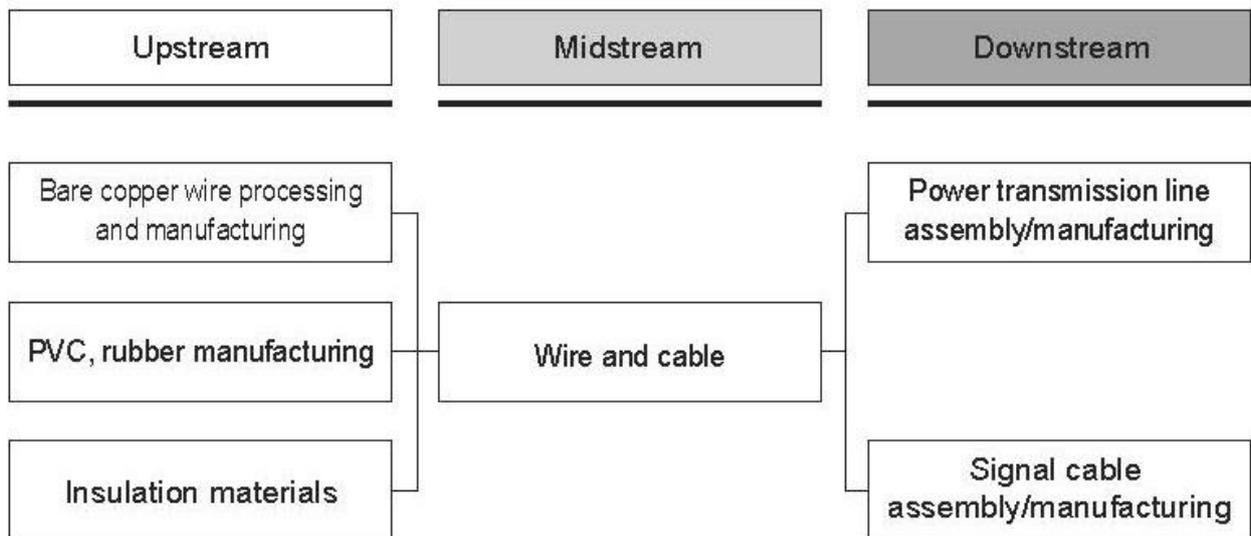
①. Information, motor and electrical power cord set



②. Sockets, plugs, adapters and combination heads



③. Others (including wires and cables, hardware terminals and plastics, etc.)



### (3) Various development trends of products

The power cord set products are widely used, and are suitable for all products that need to use electricity. In recent years, due to the wide and diverse applications of the 3C electronic product market, the products of power cord sets or power management modules must also be adjusted according to market trends.

#### ①. Product miniaturization

Various portable electronic products such as tablet computers, notebook computers, mobile phones, and digital cameras are introduced, and their related components will also follow the trend of portable electronic products to become lighter, thinner, shorter, and smaller to meet the needs. Therefore, the appearance and volume of power cord sets and power management products are also expected to gradually develop towards miniaturization.

#### ②. Industrial division of labor and internationalization trend

Under the trend of global trade liberalization, it is urgent for enterprises to move towards internationalization. Due to the continuous improvement of various investment environments and labor costs in Taiwan, in addition to moving production bases outside to reduce manufacturing costs, it is even more necessary to actively invest in the research and development of new products according to the future development trend of the market, so as to strengthen the international competitiveness of the enterprise's sustainable operation. At the same time, under the trend of industrial mergers and acquisitions and the increasing size of enterprises, Taiwanese companies that play an important role in the industrial supply chain have global production bases, integrate upstream and downstream components, and have a one-stop supply model, which has the ability to continuously reduce costs. Enterprises with unique advantages can stand out in the next wave of industrial competition.

#### ③. The world trend of environmental protection trend

In recent years, the awareness of protecting the earth's ecological environment has gradually expanded to daily necessities. In addition to protecting the earth's environment from pollution, it also protects the safety of human life. The European Union has enforced low-cadmium standards since 2002, and low-lead regulations (RoHS) were also enforced in 2006 in 3C (Communication/ Home appliances/computers) industry. In addition, Japan is the first to introduce the use of low-smoke and halogen-free materials. The purpose of the specification is to avoid the production of thick smoke when the product is burned and endanger human life, and the halogens in it will also be removed to protect human safety. Europe and the Americas will soon follow and implement it. The European Union went further and fully implemented the control measures of REACH chemicals on June 1, 2007 and added new items for Substances of Very High Concern (SVHC) every year. Since 2011, the Company has invited Taiwan's Industrial Technology Research Institute to provide guidance on the factory's manufacturing process, and conduct tracking, statistics and reduction of carbon emissions from the production of major products to reduce the impact of carbon emissions on the earth and contribute to environmental protection.

From the perspective of environmental protection, this move will continue to reduce the use of harmful substances to the environment or the human body, and monitor and manage carbon emissions. But in the short term, for manufacturers, it will also increase their material and management costs.

#### ④. Development of energy-saving transmission and security trends

With the trend of global energy saving, providing safe, stable and high-efficiency transmission quality, energy-saving transmission power products with high wattage, high voltage, and high efficiency are expected to grow significantly. In order to maintain the safety and stability of high-efficiency power transmission, the ability to pass various safety certifications is even more important, and has become an important threshold for product safety and quality assurance.

### (4) Future competition

The main application industries of the Company's power cord sets and power management modules include home appliances, medical care, ship transportation, electromechanical, communications, computer information, consumer electronics. Other applications include white goods, UPS uninterruptible power systems, game consoles, digital cameras, transmission lines, power supplies and converters used in tablet PCs and mobile phones. The Company is a professional manufacturer of power cord sets. With the improvement of product quality and the benefits of continuous development of new products, the revenue has maintained a stable trend. With the rapid changes in the consumption pattern of the industrial market and the diversification of product requirements, the development time has been shortened, and the life time of terminal products is also relatively shortened. Customers increasingly require suppliers to provide fast and high-quality services, including product design, manufacturing, quality control and after-sales service.

Therefore, only by meeting the requirements of customers can we stand out. In order to meet the needs of customers for one-stop shopping, the Company's R&D and engineering team can provide a full range of complete power transmission product lines from low-end to high-end, and carry out projects on a case-by-case basis, propose solutions or provide technical support, using professional R&D manufacturing services to ensure that products can be precisely completed in the shortest possible time from their samples to formal production.

To diversify the development of product lines, and expand sales areas and product lines through continuous construction of total solution and safety certification in various countries. In addition, to continue to improve the ability of self-made products, integrate upstream and downstream production lines, from raw material imports, mold manufacturing to finished product shipments, and integrate them into a production and supply chain mode to reduce costs and maintain the Company's competitive advantages.

Under the current rapid industrial integration, the development trend of "the big one is ever big" is quite obvious.

The low-cost advantages of small and medium-sized enterprises in the past have been gradually lost. If the Company fails to establish its own core value, it will be eliminated by the market. Therefore, under the effect of market globalization, we should be guided by market leaders, approach international customers and meet their needs, strengthen joint development of new products with customers, and provide customers with diversified products and technical services. Only in this way can the Company's existence value be established and new opportunities for long-term development created.

### 3. Overview of technology and R&D

#### (1) The technical level of the business

In terms of power cord sets, the Company not only continues to lead the industry in obtaining safety regulations in many countries, but also develops power transmission line related products for generator control panels, ships, yachts and RV vehicles, solar power cord sets, etc. Continue to expand the production scale of power transmission related products and maintain a competitive advantage. At the same time, in line with the trend of light, thin, short, and small products in the future of the information industry, develop miniaturized power transmission line sets and power adapters, and strengthen the development of non-polluting and recyclable alternative materials and low-smoke and non-toxic materials to meet the requirements of environmental protection trend. The Company has also introduced robotic production processes to reduce labor costs and increase competitiveness.

#### (2) R&D

The engineering department set up by the Company is responsible for mold development, process improvement, new product research and development, and safety application. In response to the increasingly complex product types and characteristics in recent years, and the continuous innovation of market products, the Company also strengthens the technology of the R&D team and effectively manages to facilitate the utilization of resources. Its organization includes working groups such as product sample development, product project research and development, and material analysis. At present, it has successfully developed a number of new products and obtained product patents. In terms of network application, we are fully committed to wireless control technology, introducing Bluetooth, WiFi network and voice control into IoT products.

#### (3) Annual R&D expenses and successfully developed technologies or products in the most recent year

##### ①. Annual R&D expenses in the most recent year

Unit: NT\$ thousand

	2024	First quarter of 2025 (Note)
R&D expenses (A)	47,264	-
Net operating income (B)	5,922,193	-
R&D expenses as a percentage of net operating income (A)/(B)	0.80%	-

Note: As of the date of publication of this annual report, the Company has not yet obtained the financial information reviewed by accountants for the first quarter of 2025.

②. Successfully developed technology or product

A. Product patents

The year of certification	Certified country	Patent name
2023	China	Intelligent voice wake-up control method and control device
	China	Plug with polarity detection function
	China	Terminal riveting and tinning structure and plugs and sockets using this structure
	China	Curtain drive unit
	China	Plug-in infrared voice remote control
	China	Motor fixed intelligent window opening device
	China	Motor mobile intelligent window opening device
2024 - April 2025	USA	Intelligent voice wake-up control method and control device
	China	One kind of waterproof socket for RV car
	China	One kind of aviation power cord with take-up device
	China	One kind of anti-pulling audio power cord
	China	360° conductive connector
	China	Rotary plug structure and converter

### B. Successfully developed technology or products

Year	Product category	R & D results
2023 - 2024	Power cord set	<ol style="list-style-type: none"> <li>1. Successfully developed C7 low-power version waterproof power cords for 5G satellites in the United States, Britain, Europe, Australia and Japan.</li> <li>2. Successfully developed and mass-produced 6 types of C13 high-power waterproof power cords for 5G satellites in the United States, Britain, Europe, Australia, Japan, and Brazil.</li> <li>3. Successfully developed and mass-produced 6 types of speakers in the U.S., China, Europe, Britain, Australia, and Japan. Halogen-free TPE/halogenated PVC power cord C7 elbow plug for Optimo1/2 speakers.</li> <li>4. Developed and mass-produced 2 wire harnesses in the SP-X version V4 5G satellite receiver.</li> <li>5. Developed the new version of MS China, the United States, Britain, Australia, Japan, India, and Argentina to extend the PVC power cords that exceed the winding requirements.</li> <li>6. In order to reduce the cost, successfully developed two self-made medical grade 5-15P and ordinary 5-15P terminal racks for automation.</li> <li>7. In order to reduce costs, successfully developed 3 self-made cable ties for wiring harnesses and 187 female terminals</li> </ol>
	Adaptor & Others	<ol style="list-style-type: none"> <li>1. Successfully developed a variety of plastic radiator 7W/15 with WIFI Control in China and the U.S. standard E26, E27 LED light.</li> <li>2. Successfully developed 2 Europe and the U.K standard smart plugin audio plug.</li> </ol>
2024 - April 2025	Power cord set	<ol style="list-style-type: none"> <li>1. Completely developed and mass-produced 10 kinds of the 3rd-generation DH adapter for use in China, the U.S., Europe/Israel, Thailand, Korea, Brazil, India, Australia, and UK.U.S. standard 7A and 10A Halogen-free Aviation triplex power cable</li> <li>2. Completely developed 6 kinds of DH adapter for use in China, the U.S., Australia, UK, Korea, and Europe.</li> <li>3. Successfully developed two types of DC power cord for satellite receiver on agricultural machinery.</li> <li>4. Successfully developed the latest-generation miniature C15 connector for use in plugs in many countries.</li> <li>5. Successfully developed no-power cord in safety standards of eight countries.</li> <li>6. Successfully developed several types of wireharness for home appliances.</li> <li>7. Successfully developed several types of wireharness for home appliances and new-style dishwashing rope.</li> </ol>
	Adaptor & Others	<ol style="list-style-type: none"> <li>1. Successfully developed 5 sets of fully-automatic double-ended wire production line, and put it in use.</li> <li>2. Successfully developed 2 types of power strip of power cord with Type C in American standards.</li> <li>3. Successfully developed 4 types of power cord adapters with Type C in China standards.</li> </ol>

#### 4. Long-term and short-term business development plans

##### (1) Development direction of short-term business plan

###### ①. To develop new products and improve product quality and technical level

In response to the global trend of environmental protection and energy saving, the Company continues to develop environmentally friendly power cords that can completely replace the existing PVC materials. In line with the light, thin, short, and small product trends of information and consumer electronics, and with the Company's existing adapter products, an integrated power supply and charging related products have been developed to reduce the waste of resources and indirectly achieve the purpose of environmental protection.

At the same time, the traditional molded plug is changed to the concept of ultrasonic molding. This move simplifies the overall production process and reduces the cost of production equipment, making the product light and beautiful.

Various automobile makers have begun to pay attention to energy saving and environmental protection, and have successively developed gasoline-electric hybrid vehicles and rechargeable electric vehicles. Based on the existing technology and experience in electromechanical, ship power cables and sockets, the Company has developed power sockets and power cables for electric vehicles and future charging stations, and its related products are also being completed.

Actively promote the Company's own brand, establish a brand business unit, and deploy IoT products. Taking the intelligent host as the core, it has developed control products such as safety protection, environmental control, switch control, lighting control and sound and light entertainment.

###### ②. To improve production management efficiency

The Company insists on continuous product research and development for a long time, through the continuous improvement of the manufacturing process, high vertical integration, quality improvement, and cost reduction to maintain the Company's competitiveness. In the past few years, an average of 3-5 new products have been launched every month, and more than a thousand self-made components have been developed and completed. At the same time, the self-made rate of parts has also been continuously improved, exceeding 90%. As the cost of labor in China is increasing year by year, in order to maintain the competitiveness of the industry, in addition to continuous progress in the production process, more automated robots are used to replace traditional manpower. Regarding the development of production equipment, the Company continues to maintain research and development every year to design the most suitable and stable quality production equipment. With the design capability of self-owned equipment to meet the needs of process improvement, the efficiency of the production line is continuously improved, in order to achieve the flexibility of the factory's diversified product production, reduce the overall production line expansion cost, and provide the momentum for long-term profit and sustainable growth.

###### ③. Marketing strategy

In terms of power cable products, the effect of local services in the global market constructed by the Company has gradually emerged in recent years. Whether it is in the U.S. OEM market, game consoles, or tablet PC manufacturers, the penetration rate has gradually increased. In terms of home appliances and machine tools. There has also been some progress, and the channel has gradually opened up markets in both Japan and the United States.

In order to enhance the visibility of its own brand, the Company divides products into three major brands for marketing: 1. Smartbears-mainly focuses on smart home products developed with Internet of Things technology. 2. PLUGO-mainly focuses on business travel series products, 3. JDB-mainly focuses on families For power supply-related products. In addition to building physical stores for customers and manufacturers to experience products, we also shoot product videos and increase media publicity to quickly let customers know the brand and products.

##### (2) Medium and long-term business development plan

###### ①. Research and develop new products and upgrade technology level

Actively research and develop American, European and Japanese halogen-free wires to meet the environmental protection needs of the market.

###### ②. Accelerate the expansion of automated production equipment

Continue to research and develop professional-grade production equipment, increase the layout of equipment and process patents, and widely apply the self-made capabilities of existing equipment to various product lines to speed up the improvement of process efficiency and ensure leading

production technology.

③. Increase overseas sales bases

With its own brand, OEM, and the extension of various professional industrial products into their own business entities, the Company has accumulated years of product development capabilities to expand product categories, and use independent sales units to increase the sales volume of various products.

Set up service bases in Japan and the United States, and build small assembly lines in the production locations of large American customers to improve service efficiency and establish close cooperative relationships.

(2) Overview of the market and production and sales

1. Market analysis

(1) Sales area of main products

Unit: NT\$thousand

Area	Year	2023		2024	
		Amount	Ratio (%)	Amount	Ratio (%)
Domestic sales		636,075	11.93	623,207	10.52
Exports	Europe	67,546	1.27	71,965	1.22
	Asia	2,248,098	42.19	2,587,445	43.69
	America	2,360,702	44.30	2,623,785	44.30
	Others	16,365	0.31	15,791	0.27
Total		5,328,786	100.00	5,922,193	100.00

(2) Market share :

①. Power cord set:

The Company's power cord sets have a wide range of uses, and can be classified into professional uses such as electromechanical, home appliances, and information 3C according to the characteristics of the application end products.

②. Power supplier :

The power supply has a wide range of applications, such as personal computers, communications, networks, optoelectronics, precision instruments and information appliances, etc. About 85% of them are used in consumer electronics products, mobile communication products, personal computers and their peripheral equipment. Due to the high linkage between the power supply market and the electronics industry, the demand for global power supplies is expected to grow with the continuous increase in demand for downstream consumer electronics, optoelectronics, and communications, and it will gradually grow in the future.

(3) The status and growth of future market supply and demand

①. Future market supply and demand

The power cable market is still showing a moderate growth trend. In addition to the original basic home appliances, electromechanical, information 3C, and game consoles and other products, in response to the Internet generation, products for various applications have come out one after another, entering the stage of competing for development by large and small factories. Subsequent growth should be expected. Therefore, the Company actively invests in the development of related products. However, many manufacturers have successively invested in it in recent years, which has also intensified the competition in the market.

②. Future market growth

The application range of the Company's main products covers information, communication, consumer electronics and other fields. It is necessary to develop products of different specifications to meet different needs. With the continuous innovation of electronic products in downstream industries, electric vehicles and AI, the industry will enter a new wave of innovation revolution. The Company has worked hard in the industrial information supply chain for many years, and will gain the opportunity of market growth with the innovation of terminal application equipment.

#### (4) Competitive niche

##### ①. Rapid R&D and flexible production capacity

New products in the power cord industry are formulated and jointly developed in the market/agreement to facilitate product compatibility. Moreover, after the market globalization of downstream applications, the product design of its components also tends to be standardized. Several manufacturers strengthen capacity expansion, product diversification and upstream and downstream integration through corporate cooperation/merger. The Company demonstrates its excellent customer cooperation in terms of customized products, and is able to respond quickly to the diverse requirements of customers.

Major manufacturers of global information and consumer products have all expanded their development orientation in terms of product lines. In addition to developing PCs, NBs, monitors, and servers, computer brands are gradually getting involved in smart phones, tablet PCs, cloud devices, and games machines, projection equipment, and even digital and Internet TV markets, as for the demand for power connection products, in addition to the necessary power cables, DC cable, AV cable, internal power connection cables, sockets, board terminals, and cable terminal connectors, it is also necessary to have stable quality power supplies, chargers, and charging stands.

The penetration rate of handheld products has driven the application of adapters more significantly in recent years. With the completion of the development of the Company's power supply products, its product line is more complete, and it will provide future market growth momentum in the solution of power supply with adapters. The Company's development will gradually shift from wire products to comprehensive power supply products, providing the best "Total Solution" of power supply for handheld mobile products such as smartphones and tablets.

##### ②. A small amount of product diversification creates high gross profit

The Company adheres to the business philosophy of customer first and continuously develops new products and application technologies, and has accumulated rich experience in manufacturing and mass production for many years.

In addition to the complete range of products, with good factory management, the Company can respond to customer needs in the shortest possible time, provide high-quality services and combination solutions with a small number of products, and meet customers' requirements for product diversity and time limit. Provides services with a small amount of diversified products to maintain high gross profit and increase revenue.

##### ③. Proper cost control

The Company undertakes a wide variety of products, such as mold development, PVC deployment, copper processing, process scheduling, etc., all of which require specific technical personnel to be responsible. The Company insists that the above process is produced by itself. One is to accumulate technology, and the other is to speed up the development of new products, saving the time and opportunity cost of waiting for third-party manufacturers to develop separately, which is of great help to the integration of upstream and downstream group resources.

##### ④. Complete range of products

The reason why the Company's competitive advantage is higher than that of its peers lies in its strong integration. The total number of products is as high as more than 1,500 units, and the safety regulations of various countries have also accumulated to a certain number. The accumulated experience in product development can meet customers' one-stop shopping, rapid R&D and the delivery time is extremely competitive.

##### ⑤. Strong management team

The Company's current management team members have many years of experience in the power cord industry. The main cadres have rich experience in various aspects of industrial environment changes, product development trends, manufacturing and business development. In recent years, both revenue and profit have shown steady growth, the professional quality and industry experience of the management team are good, and the operating performance is excellent.

#### (5) Favorable and unfavorable factors of development prospect and countermeasures

##### ①. Favorable factors

###### A. Correct product strategy

The Company develops power cord products for use in different industries, which is different from other counterparts that only focuses on the information home appliance industry. For

many years, the Company has met one-stop shopping needs of customers, provided a full range of complete power transmission product lines from low-end to high-end, and continuously improved product quality and delivery speed as its main goals. At the same time, it leads the industry to extend upstream to the supply side of copper raw materials, integrates upstream and downstream production lines, from raw material imports, mold manufacturing to finished product shipments, and reduces costs by integrating the production and supply chains into one whip, which has a competitive advantage in sales prices.

Thanks to the Company's diversified product development strategy over the years, it has accumulated a large number of parts development and material procurement resources. In recent years, due to the large fluctuations in raw materials, the Company can continue to maintain profitability and growth through the adjustment and balance of product line sales. For the control of raw materials, in addition to the risk avoidance planning of the management level and the real-time unit price response mechanism, in terms of product sales, it has gradually transformed into a sales strategy of increasing the power supply products with low copper consumption.

The Company's operation and development policy is based on the main customers in the existing sales market, and gradually shifts to international large-scale customers, expands international marketing channels, and also develops business in the U.S. and Japanese markets. At present, there is a warehousing base in the United States, which is responsible for inventory management, product maintenance, customer service and other functions, as well as the development of business teams. The content of orders is mainly to cooperate with customers who place orders in Asia, and most of them are small and medium-sized orders. At the same time, it focuses on the development of channels, cuts into special niche markets, and expands the future market size.

#### B. Sustainable development of downstream application industries

The use of the Company's products can be mainly divided into electromechanical, home appliances and 3C information related products. In terms of the electromechanical industry, especially in the field of UPS uninterruptible power supply systems and power cords for cloud servers, this part has high gross profit. Under the trend of information cloudification, the demand for this type of equipment will grow exponentially in the future, which will also increase the shipment of this type of power cords. Power cords in special professional fields are mostly used in generators and water pumps. Global warming has caused abnormal weather and natural disasters in various places, which has also caused a sharp increase in sales of such finished products. In addition, the development of electric vehicles is becoming more and more mature, which indirectly drives the sales of gasoline-electric hybrid and electric vehicles to grow steadily. For the electric vehicle charger products that the Company has invested in research and development for several years, it also brings opportunities for growth. In terms of home appliances, in line with the moderate growth of white goods, the growth rate of this part of the sales also showed an upward trend. In terms of 3C information products, it focuses on mechanical parts and connecting plugs, and has developed a variety of products for tablet computers and smart phones.

The Company has a sound financial structure, excellent financial indicators, and abundant financial momentum to support its business development.

#### ②. Unfavorable factors

##### A. Prices of major raw materials fluctuate widely

In terms of upstream raw materials, the acquisition of the main raw material copper is an important factor affecting gross profit. Copper is one of the main raw materials for manufacturing power cords and other related products, and its rising and violent price fluctuations will reduce profit margins.

##### Countermeasures:

In the future, the Company will actively develop new raw material suppliers, strive for the nearest source of cheap copper raw materials in mainland China, reduce the exploitation of intermediate copper processing plants, and also reflect the increased cost to the selling price reasonably. In addition, the process will be improved to increase the yield rate, and the continuous development and mass production of new products will be used to minimize the impact of rising copper costs. In the hedging of copper price fluctuations, in addition to purchasing and adjusting safety stocks based on experience, the Company subsidizes copper prices that fluctuate too much through

agreements with certain downstream customers. Buyers and sellers jointly agree on a fair copper price benchmark, adopting the fair principle of refunding more and paying less, so as to reduce the impact of copper price fluctuations on profits. For customers with poor bargaining power, the selling price will be adjusted appropriately to pass on the risks brought about by copper price fluctuations.

**B. Foreign exchange fluctuations affect profit**

Most of the Company's imports and sales are quoted in U.S. dollars, and changes in the exchange rate of Taiwan dollars to U.S. dollars will affect exchange gains and losses.

Countermeasures:

At present, the main strategy in response to changes in the US dollar exchange rate is natural hedging. A small number of purchases and sales are denominated in euros, and RMB, but natural hedging is still adopted. In order to reduce the impact of exchange rate changes on the Company's profits, in addition to establishing an appropriate US dollar liability position, and at the right time to buy and sell foreign currency deposits or directly repay the foreign currency required for foreign purchases in foreign currency when selling goods. This is a more flexible way to reduce the impact of exchange rate changes on profit and loss and achieve the effect of natural hedging. In addition, according to the changes in foreign currency receipts and payments of purchases and sales, the Company, in accordance with the principle of conservativeness and prudence, conducts risk-avoiding operations with spot and forward foreign exchange instruments in a timely manner, and reduces the position of foreign currency assets to reduce the risk of exchange rate changes.

At the same time, because of sales in the domestic market in China, the growth of RMB income has a natural balancing effect on the risk of exchange rate.

**C. Rising labor costs in China**

China's labor costs increase by an average of 15% to 20% each year, resulting in a continuous increase in manufacturing costs.

Countermeasures:

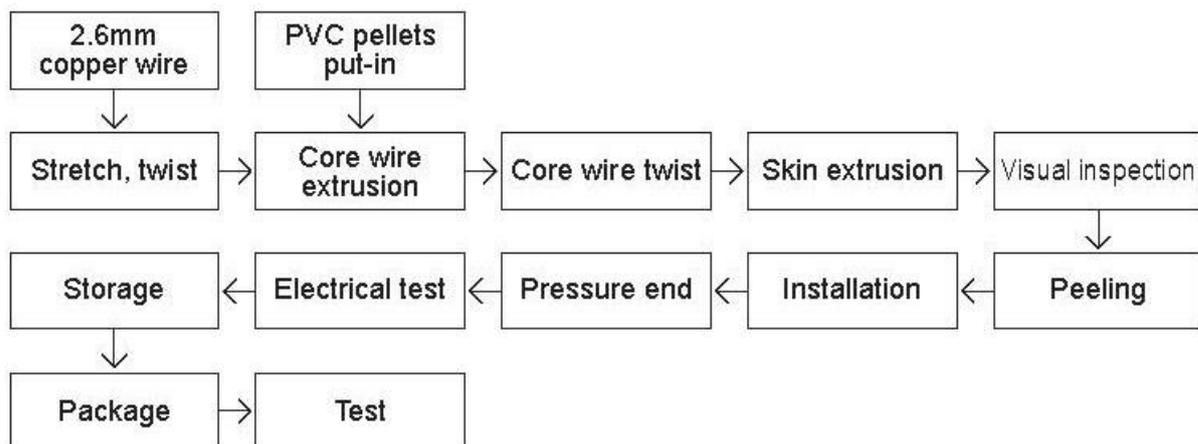
Continue to introduce fully automatic and semi-automatic equipment to reduce the proportion of labor costs. Continue to develop alternative structural products to reduce production equipment costs and equipment operation energy consumption. The introduction of new structural products and automation equipment has achieved initial results. In the next five years, the proportion of automation will be increased to cope with the impact of the increase in labor costs in China.

2. Important uses and production processes of main products:

(1) Important uses of main products

Product name	Main purpose
Information and electrical appliances power cord set	<ol style="list-style-type: none"> <li>1. Power transmission and use of home appliances, information and communication products. Such as home appliances, computer power transmission and information products, various displays Cable, Printer, Scanner, CCD Camera, HUB, ADSL, Router, Cable Modem, mobile phone charger/transform cable, TV game cable, audio cable and cable TV coaxial cable etc.</li> <li>2. Indoor and outdoor home appliances and information products.</li> <li>3. Household extension cords, power cords and extension cords for outdoor tools, internal connection cords, power cords for high-current and high-voltage machines, power cords with locking plugs, etc.</li> </ol>
Sockets, plugs, adapters, combination heads	<ol style="list-style-type: none"> <li>1. A new generation of digital consumer electronics and traditional consumer electronics products.</li> <li>2. Computers and peripheral consumer electronics products, network equipment and all other machines and equipment that require power.</li> <li>3. All kinds of assembled industrial plugs, etc.</li> </ol>
Others	<ol style="list-style-type: none"> <li>1. Wire and cable.</li> <li>2. ODM and OEM, hardware terminals, hardware knives, plastic products, etc. for large factories.</li> </ol>

(2) Production process of main products



### 3. Supply status of main raw materials:

Most of the Company's raw material suppliers have gained a deep reputation for quality in the industry and have been with the Company for many years and have a stable cooperative relationship. At present, the supply of various major raw materials is sufficient, and the source of raw materials for production is not in short supply.

Raw material name	Suppliers	Supply situation
Copper bar 2.6mm and 8.0mm	Walsin Lihua Co., LTD DONGGUAN WALSIN WIRE & CABLE CO., LTD. Kecheng Copper (Guanzhou) Co., Ltd. Nanjing Walsin Metal Co., LTD. Ningbo Shimao Copper Industry Co., LTD.	Good
PVC powder	Westlake Huasu Suzhou Co., LTD. Jiangyin Mayer Motorsports Co., Ltd. Heng Kang Agency Co., Ltd. Kunshan Sanwenlin Chemical Raw Materials Co., Ltd.	Good
DPHP / DOTP oil	ZhenJiang Union Chemical Industrial Co., Ltd. Zhuhai Union Chemical Industrial Co., Ltd. Kunshan Weifeng Chemicals Co., Ltd. Taizhou UPC Technology Corporation Zhongshan UPC Technology Corporation	Good
TOTM oil	NANTONG BAICHUAN NEW MATERIALS CO., LTD. Zhongshan Union Chemical Industrial Co., Ltd. ZhenJiang Union Chemical Industrial Co., Ltd Taizhou UPC Technology Corporation	Good
DOA oil	Zhongshan Union Chemical Industrial Co., Ltd. Kunshan Weifeng Chemicals Co., Ltd.	Good

4. List of main purchase and sale customers:

(1) The list of manufacturers that accounted for more than 10% of the total purchases in any of the last two years and the reasons for changes:

Unit: NT\$ thousand

Year	2023				2024				As of the previous quarter in 2025 (Note 1)			
Item	Name	Amount	Ratio of net purchases in the whole year [%]	Relationship with Issuer	Name	Amount	Ratio of net purchases in the whole year [%]	Relationship with Issuer	Name	Amount	Ratio of net purchases in the whole year [%]	Relationship with Issuer
1	Ningbo Shimao Copper Industry Co., LTD.	228,383	9.5	-	Ningbo Shimao Copper Industry Co., LTD.	713,668	19.0	-	-	-	-	-
2	Kecheng Copper (Guanzhou) Co., Ltd.	110,374	4.6	-	Kecheng Copper (Guanzhou) Co., Ltd.	520,730	14.0	-	-	-	-	-
3	Nanjing Walsin Metal Co., Ltd.	191,786	8.0	-	Nanjing Walsin Metal Co., Ltd.	383,970	10.0	-	-	-	-	-
4	Others	1,872,008	77.9	-	Others	2,160,584	57.0	-	-	-	-	-
	Net Purchase	2,402,551	100		Net Purchase	3,778,952	100		Net Purchase	-	-	

The raw material 2.6mm and 8.0mm copper bars purchased from major suppliers will increase or decrease depending on market mechanisms and copper price fluctuations. During this period, because revenue increased, the purchase amount increased.

Note 1: As of the publication date of this annual report, the Company has no financial information for the first quarter of 2025 that has been reviewed by accountants.

(2) The list of customers who accounted for more than 10% of the total sales in any of the last two years and the reasons for the increase or decrease:

Unit: NT\$ thousand

Year	2023				2024				As of the previous quarter in 2025 (Note 1)			
Item	Name	Amount	Ratio of annual net sales [%]	Relationship with Issuer	Name	Amount	Ratio of annual net sales [%]	Relationship with Issuer	Name	Amount	Proportion to net sales in the first quarter of the year [%]	Relationship with Issuer
1	SH0011	1,119,972	21	-	SH0011	1,303,863	22	-	-	-	-	-
2	Others	4,208,814	79	-	Others	4,618,330	78	-	-	-	-	-
	Net sales	5,328,786	100		Net sales	5,922,193	100		Net sales	-	-	

The sales amount of SH0011 is higher than the same period last year, mainly due to the increase in demand from end customers in 2024, leading to the growth of orders.

Note 1: As of the publication date of this annual report, the Company has no financial information for the first quarter of 2025 that has been reviewed by accountants.

(3) The number of employees employed in the last two years and as of the publication date of this annual report

Unit: person/year

Year		2023 (Data settlement date to 2023.12.31)	2024 (Data settlement date to 2024.12.31)	Current year ended April 30, 2025 (Note)
Number of employees	General staff (indirect personnel)	799	807	796
	Operator (direct staff)	1556	1412	1016
	Total	2355	2219	1812
Average age		34.6	36.1	38.3
Average years of service		4.3	4.9	5.8
Educational Distribution Ratio	Ph.D.	1	0	0
	Master	16	14	13
	College	373	349	328
	High school	243	252	251
	Below high school	1722	1602	1220

Note: The information for the year up to the publication date of this annual report should be filled in.

(4) Information on environmental protection expenditures

In the most recent year and as of the date of publication of this annual report, if there is any loss due to environmental pollution (including compensation and environmental protection audit results in violation of environmental protection laws and regulations), the date of punishment, the name of the punishment, the violation of regulations, the content of violations, and disposition) must be stated, and it should also disclose the estimated amount and countermeasures that may occur at present and in the future. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be explained: None.

(5) Labor relations

1. List in detail the Company's various employee welfare measures, advanced education, training, retirement systems and their implementation status, as well as labor agreements and protection measures for employee rights and interests

(1) Employee welfare measures and implementation

The Company has improved employee welfare measures to benefit employees in all aspects of work, life, safety and health, so that employees can not only receive regular work remuneration, but also enjoy a variety of subsidies and protections after work and at home. It also condenses the high centripetal force of all employees towards the Company.

The current welfare measures implemented by the Company are as follows:

- ① Implementation of staff salary adjustment and performance bonus system.
- ② All employees enjoy labor insurance, national health insurance (including their dependents) and group insurance.
- ③ Employee marriage, funeral, festive subsidies and birthday gifts.
- ④ Irregular staff dinners and leisure activities every year.
- ⑤ Annual travel and end-of-year banquets.
- ⑥ There are leisure and sports facilities such as badminton court, basketball hoop, billiard room and gymnasium, and also established a lounge where offers free coffee, milk, and a space for employees to rest or chat.
- ⑦ To hold regular health checks for employees.
- ⑧ The Company gives long-term leave without pay to colleagues who have baby-raising or health care needs, and will be reinstated after the stay period expires.
- ⑨ Responding to the government's advocacy of creating a friendly workplace environment, the Company has set up a breastfeeding (collection) room with a good privacy space, which can provide female employees with peace of mind to breastfeed and collect breast milk.

(2) Retirement system and its implementation

In order to take care of employees' retirement life, promote harmony between labor and capital, and improve work efficiency, the Company has formulated its pension method since 2003 to allocate labor retirement reserves based on 2% of total salary expenses on a monthly basis, and deposit them in a special account at the Central Trust Bureau as provision for future payment of employee retirement. And since July 2005, in accordance with the provisions of the new labor retirement system, pensions have been allocated, and 6% of the total wages of employees have been allocated to the employees' personal pension accounts.

(3) Education and training

Since its establishment, the Company has focused on on-the-job education and training for employees. Over the years, it has worked hard to implement it thoroughly. Through education and training, it can establish a good factory atmosphere, cultivate talents, and improve technical standards, so that employees can grow together with the Company and share profits together.

(4) Labor-management agreement situation and protection measures for various employee rights and interests

The Company belongs to the industry where the Labor Standards Law and related regulations apply, and all operations are based on this law. Rights and obligations between labor and management are handled subject to the employment contract, work rules, and various management regulations. With harmonious relationship

between labor and management, no labor disputes and losses have occurred. Each department has established a complete operating process, and implements the rights and responsibilities of all employees in accordance with relevant laws and internal control regulations. The Company also has a good communication mechanism, attaches great importance to the exchange of opinions between employees and supervisors, and establishes an employee complaint mechanism and channel through the negotiation of the labor-management conference. The Company takes appropriate measures to protect the rights and interests of the Company and employees.

In terms of preventing occupational accidents and ensuring the safety and health of employees, the Company has set up a safety and health management office according to law, and formulated the "Safety and Health Work Rules" and "Occupational Safety and Health Management Regulations" to regulate the safety and health of the employees' working environment, including regular fire protection safety, safety and health courses and other education and training. The Company regularly organizes employee health checks, hires full-time nurses to continue to care for the physical and mental health of employees, creates a healthy workplace culture, and prevents occupational injuries. Relevant drinking water, sanitation equipment, elevators, fire protection and other equipment are regularly maintained and overhauled every year.

The Company implements regular maintenance and repairs for the following facilities:

Drinking water, sanitation equipment	Once every three months
Elevator	Once per month
Fire equipment	Once per year

According to the "Occupational Safety and Health Law", the working environment monitoring plan has been established, carbon dioxide concentration monitoring is carried out regularly in the workplace. In addition, protective panels for production machines are added to strengthen safety measures to avoid work injuries and implement a safe and healthy working environment for employees.

2. List in detail the losses suffered due to labor disputes in the most recent year and up to the date of publication of this annual report (including labor inspection results violating the Labor Standards Law, the date of punishment, the name of the punishment, violations of laws and regulations, content of violations of laws and regulations, and punishment content) , and disclose the estimated amount and response measures that may occur at present and in the future, If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated must be explained.

The Company handles everything in accordance with labor laws and relevant regulations. Since its establishment, the labor-management relationship has been harmonious, and no losses due to labor disputes, and it is estimated that the possibility of losses due to such disputes in the coming years is extremely low.

#### 6. Cyber security management:

- (1) Describe in detail the information security risk management framework, information security policies, specific management methods and the resources invested.

##### 1.Information security risk management framework

The information director of the head office leads the information personnel of each factory area of the Group to assess the risk of information security.

##### 2.Information Security Policy

- (1)In order to implement the security management of the information computer room, the Company implements the computer room inspection log and the entry and exit registration mechanism of external personnel.
- (2)To ensure data security, and regulate access rights according to departments and functions.
- (3)To ensure the continuous operation of information systems and equipment.

- (4) To regularly perform information security audit operations to ensure its safety.
3. Specific management plan and investment in information security resources
  - (1) Examine the failure risk and bearing capacity of information equipment, and assess whether the impact is within the tolerable range, if not, it is necessary to study and implement improvement measures.
  - (2) The information system is regularly repaired and updated to reduce weaknesses and loopholes and reduce overall information security risks.
  - (3) Check whether the access records and account permissions of information security equipment and servers comply with the internal control operation specifications, and identify whether the account and access records are abnormal according to the principle of least privilege.
  - (4) Use email promotion and employee education and training to strengthen information security concepts of colleagues, understand the risks of email and the Internet, raise awareness of crises, and achieve data security protection.
  - (5) There are 10 information personnel in the Company, and an information security meeting is held every month in the information security of each company in the group to evaluate and ensure the safe operation of information.
- (2) List in detail the losses suffered due to major information security incidents in the most recent year and as of the date of publication of this annual report, possible impacts and countermeasures. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated must be explained.
  1. As of the publication date of this annual report, the Company has not experienced any major information security incidents resulting in damage.
  2. If there is an information security incident in the Company, according to the procedures, the occurrence unit should notify the information personnel, and the information supervisor and personnel will judge the type of the incident and find out the problem, deal with it immediately and record it. The Company will continue to implement the information security management policy objectives, and regularly implement recovery plan drills to protect its important systems and data security.

7. Important contracts:

Important contracts

(1) Contracts due in the most recent year

Contract nature	Interested party	The contract begins and ends date	Main content	Restrictions
Purchase contract	Walsin Lihwa Corporation	2024.01.01 - 2024.12.31	SCR 2.6m/m copper wire	None

(2) Currently valid existing contracts

Contract nature	Interested party	The contract begins and ends date	Main content	Restrictions
Sales contract	Cheng Uei Precision Industry Co., Ltd.	2006.12.15-2009.12.15 (If either party does not terminate the contract when it expires, it will be automatically extended for one year, and the same will apply thereafter)	Supply power cord/ plug related products	None
Sales contract	Mabe Mexico S DE RL DE C.V.	2006.01.01-2009.12.31 (If either party does not terminate the contract when it expires, it will be automatically extended for one year, and the same will apply thereafter)	Supply power cord products	None
Sales contract	Pegatron Corporation	2011.01.01- contract termination	Supply power cord products	None
Purchase contract	Walsin Lihwa Corporation	2023.01.01-2023.12.31	SCR 2.6m/m copper wire	None
Sales contract	GEA PARTS, LLC. & Derby	2012.06.01-2026.5.31	Supply power cord products	None
Sales contract	Company A	2018.10.22-2026.12.31	Supply power cord products	Non-disclosure agreement
Sales contract	Company B	2014.01.01-2026.12.31	Supply power cord products	Non-disclosure agreement
Sales contract	Company C	2016.03.01- contract termination	Supply power cord products	Non-disclosure agreement
Construction contract	Long Round Industria Co., Ltd.	2023.08.01-2025.07.31	Constructing Changhua Factory	None
Bank contract	Mega Bank	2024.11.23-2025.11.22	Credit contract	None
Bank contract	KGI Bank	2024.05.29-2025.05.28	Credit contract	None
Bank contract	First Bank	2024.12.12-2025.12.11	Credit contract	None

## V. Review and analysis of financial status and financial performance and risk issues:

### 1. Financial status

#### Comparative analysis of financial status

Unit: NT\$ thousand

Items	Year	2023	2024	Difference	
				Amount	%
Current assets		5,742,830	6,395,190	652,360	11.36
Property, plant and equipment		1,868,742	1,898,693	29,951	1.60
Intangible assets		3,680	6,348	2,668	72.50
Other assets		637,114	882,400	245,286	38.50
<b>Total assets</b>		<b>8,252,366</b>	<b>9,182,631</b>	<b>930,265</b>	<b>11.27</b>
Current liabilities		988,655	1,211,122	222,467	22.50
Non-current liabilities		723,112	864,075	140,963	19.49
<b>Total liabilities</b>		<b>1,711,767</b>	<b>2,075,197</b>	<b>363,430</b>	<b>21.23</b>
Share capital		1,182,579	1,182,579	0	0.00
Capital reserve		1,745,792	1,745,802	10	0.00
Retained earnings		3,952,270	4,323,858	371,588	9.40
Other interests		(340,042)	(144,805)	195,237	(57.42)
<b>Total equity attributable to owners of the parent company</b>		<b>6,540,599</b>	<b>7,107,434</b>	<b>566,835</b>	<b>8.67</b>
<b>Total equity</b>		<b>6,540,599</b>	<b>7,107,434</b>	<b>566,835</b>	<b>8.67</b>
1. Description of change analysis: (if the change reaches 20%)					
(1) The increase in intangible assets is mainly due to the increase in the cost of computer software in 2024.					
(2) The increase in other assets is mainly due to the increase of over 3-month due term deposit in 2024.					
(3) The increase in current liabilities is mainly due to the increase in short-term borrowings in 2024.					
(4) The increase in other interests is mainly due to the increase in foreign exchange differences arising from the translation of financial statements of overseas operating entities borrowings in 2024.					
2. Future response plan: the company will strive to maintain the stable growth of operating income and overall profit.					

## 2. Comparative analysis of financial performance

### Comparative analysis of financial performance

Unit: NT\$ thousand

Year Items	2023	2024	Increase (decrease) amount	Ratio of change (%)
Operating revenue	5,328,786	5,922,193	593,407	11.14
Gross profit	1,272,438	1,433,634	161,196	12.67
Operating Profit	612,640	703,636	90,996	14.85
Non-operating income/expense	78,505	235,724	157,219	200.27
Net profit before tax of continuing business units	691,145	939,360	248,215	35.91
Total income tax expense	(183,634)	(215,916)	32,282	17.58
Net income	507,511	723,444	215,933	42.55
Other comprehensive income, net of tax	(85,254)	198,155	283,409	332.43
Total comprehensive income	422,257	921,599	499,342	118.26

1. Description of change analysis: (if the change reaches 20%)

- (1) The increase in non-operating income and expenses is mainly due to exchange rate fluctuations. The amount of foreign currency exchange benefits recognized in 2024 increased, compared with 2023.
- (2) The increase in pre-tax net profit and income tax expenses of the continuing business department is mainly due to the increase in revenue and non-operating revenue in 2024, compared with 2023.
- (3) The increase in the net after-tax amount of other comprehensive profit (losses) in the current period is mainly due to the recognition of exchange profit from the translation of financial statements of foreign operating institutions in 2024.
- (4) The increase in the total comprehensive income for the current period is mainly due to the increase in net profit for the current period in 2024 and the net after-tax amount of other comprehensive profit (losses) for the current period.

2. The reason for the change of the Company's main business content: No major changes, not applicable.

3. The expected sales volume in the coming year and the main factors affecting the Company's expected sales volume to continue to grow or decline:

It is expected that the market competition will be fierce in the coming year, and sales will only grow slightly.

### 3. Analysis of cash flow:

#### 1. Cash flow analysis for the current year

Unit: NT\$ thousand

Cash and cash equivalents, Beginning of year (1)	Net cash flow from operating activities (2)	Cash inflow (outflow) (3)	Cash surplus (deficit) (1)+(2)-(3)	Leverage of cash deficit	
				Investment plan	Financial plan
2,236,422	152,674	(678,586)	1,710,510	-	-
<p>1. Analysis of cash flow changes in 2024:</p> <p>(1) Operating activities: The change in net cash inflow is mainly due to the increase in net profit in 2024.</p> <p>(2) Investing activities: The change in net cash outflow is due to the increase in amount of financial assets measured at amortized cost in 2024.</p> <p>(3) Financing activities : The change in net cash outflow is mainly due to the distribution of cash dividends in 2024.</p> <p>2. Remedial measures and liquidity analysis for cash insufficiency: Not applicable.</p>					

#### 2. Cash flow analysis for the coming year

Unit: NT\$ thousand

Cash and cash equivalents, Beginning of Year (1)	Net cash flow from operating activities (2)	Cash inflow (outflow) (3)	Cash surplus (deficit) (1)+(2)-(3)	Leverage of cash deficit	
				Investment plan	Financial plan
1,710,510	723,000	(832,278)	1,501,232	-	-
<p>1. Analysis of cash flow changes in 2025:</p> <p>(1) Operating activities: It is expected that 2025 will be profitable, and operating activities will be net cash inflow.</p> <p>(2) Investing activities: It is estimated that the purchase of equipment, new purchase and renovation of factory buildings in 2025 will result in a net cash outflow of about NT\$1,159,246 thousand.</p> <p>(3) Financing activities: It is estimated that the distribution of cash dividends, remuneration of directors and supervisors, and the amount of new loans in 2025 will result in a cash inflow of about NT\$226,968 thousand.</p> <p>2. Remedial measures and liquidity analysis for cash insufficiency: Not applicable.</p>					

4. The impact of major capital expenditures on financial business in the most recent year:

1. The use of major capital expenditures and their funding sources:

Unit: NT\$ thousand

Project	Actual or expected source of funds	Actual or expected completion date	Total funds required	The use of actual or planned funds				
				2021	2022	2023	2024	2025
Plant and equipment	Private capital	2024	1,599,784	78,908	108,128	55,984	196,764	1,160,000

2. Impacts on financial business:

The purchase of plant and equipment is to expand the scale of production and sales, and the Company's revenue and profit also continue to grow steadily with the business volume.

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

1. The Company's reinvestment policy

The Company conducts its reinvestment based on operating needs or factors that measure the Company's future growth, and keeps track of the operating status of the invested enterprise.

2. The main reasons for the profit or loss of reinvestment in 2024 and its improvement plan

The Company reinvested in 2024 and recognized investment gain (loss) of NT\$352,550 thousand in Power Cord Designing Technology Co., Ltd., (NT\$20,155) thousand in Bright Designing Technology Co., Ltd., NT\$102,612 thousand in Smart Think Technology Co., Ltd., and (NT\$18,842) thousand in Well Shin Industries Corp. The main reason is that the demand for orders from the sales base in the United States has increased, and the reinvestment benefits have reached its economic scale, and the benefits are showing. In the future, the Company will continue to strengthen the control of the reinvestment company.

3. Investment plan for the coming year

In order to strengthen the overall market competitiveness and reduce costs, the investment plan for the coming year will focus on establishing factories in the U.S., Vietnam, and Xizi Dist., New Taipei City for capacity expansion.

## 6. Risk management and assessment:

### (1) Risk factors

1. The impact of changes in interest rates, exchange rates, and inflation on the Company's profit and loss for the most recent year and as of the date of publication of this annual report, and countermeasures:

(1) The impact of interest rate changes on the Company's profit and loss and countermeasures

Unit: NT\$ thousand

Item/year	2023	2024
Interest Income (A)	38,111	57,319
Interest expenditure (B)	3,033	2,589
Operating revenue (C)	5,328,786	5,922,193
Interest income/Operating revenue (A)/(C)	0.72%	0.97%
Interest expenditure/Operating revenue(B)/(C)	0.06%	0.04%

The Company's interest income and interest expenses in 2024 and 2023 accounted for less than 1% of its annual revenue, and changes in interest rates did not have a significant impact on the Company. In the future, according to the loan amount and interest rate trend, the Company will adjust the use of long-term and short-term funds in a timely manner, and replace short-term mobile interest rate funds with long-term fixed-rate funds to reduce the risk of interest rate changes.

(2) The impact of exchange rate changes on the Company's profit and loss and countermeasures

Unit: NT\$ thousand

Item/year	2023	2024
Exchange (loss) gain (A)	14,647	69,328
Operating revenue (B)	5,328,786	5,922,193
Exchange (loss) gain/Operating revenue (A)/(B)	0.27%	1.17%

The Company's current purchase and sales are mainly quoted in US dollars. Through the result of offsetting purchases and sales, it produces a natural hedging effect in US dollars and reduces the impact of exchange rate changes on profit and loss. The Company's 2024 and 2023 exchange (loss) gains accounted for 1.17% and 0.72% of the annual revenue respectively. In the future, in addition to natural risk avoidance to reduce the impact of exchange rates, it will always pay attention to the changes in the purchase and sale of foreign currency receipts and payments, and consider the trend of the exchange rate market. And under the principle of conservatism and prudence, spot and forward foreign exchange instruments are used to conduct hedging operations in a timely manner to reduce the risk of exchange rate fluctuations.

(3) The impact of inflation on the Company's profit and loss and countermeasures

At present, inflation does not have a significant impact on the Company's profit and loss.

However, the Company will pay attention to changes at any time in the face of inflation in the global economic boom, and adjust product prices and raw material inventory in a timely manner to reduce its impact.

2. Policies on engaging in high-risk, high-leverage investments, capital lending to others, endorsement guarantees, and derivatives transactions, the main reasons for their profits or losses, and countermeasures:

(1) The Company focuses on its own business operations, and its financial operations are

based on the principle of being conservative and prudent, and does not engage in high-risk, high-leverage investments.

- (2) In 2024 and as of the publication date of this annual report, the Company's external capital loans are mainly for reinvestment in its grandson companies, and it is also necessary for financial integration due to business needs. This is handled in accordance with the "Procedures for Lending Funds to Others" stipulated by the Company.

As of April 30, 2025; unit: thousand yuan

Name of the company to which the funds are loaned	Relationship with the Company	Amount of funds loaned	Reason for the loan
Conntek Integrated Solutions Inc.	The Company's grandson company	USD 4,800	Operating turnover

- (3) In 2024 and as of the publication date of this annual report, the Company's external endorsement guarantee objects are the Company's grandson companies and great-grandson companies, which are handled in accordance with the Company's "Endorsement Guarantee Implementation Measures". The endorsement guarantee amount for a single subsidiary is also limited to no more than 50% of the Company's current net worth.

As of April 30, 2025; unit: thousand

Name of the endorsed guarantee company	Relationship with the Company	Amount of Endorsement Guarantee	Reason for endorsement guarantee
Conntek Integrated Solutions Inc.	The Company's great-grandson company	USD 5,000	Financing guarantee Payment guarantee
Dongguan Well Shin Electronic Products Co., Ltd.	The Company's grandson company	USD 1,500 NTD 25,000	Payment guarantee

- (4) The Company's derivative financial product transactions are mainly for the purpose of hedging, and this is handled in accordance with the "Procedures for Acquisition or Disposal of Derivative Products" in the "Procedures for Processing Assets Acquisition or Disposal" stipulated by the Company.

### 3. Future R&D plans and estimated investment costs:

Unit: NT\$ thousand

Product category	R&D plans	Estimated investment costs
Consumer Electronics and Power Module Products	<ol style="list-style-type: none"> <li>Smart home area network RF control series - security monitoring video (camera) series, environmental protection and energy saving LED lighting series, remote APP action control management.</li> <li>Power supply business travel products are divided into charging transformer series (suitable for multi-country charger modules) and adapter plug series, household and car chargers, car inverters and WiFi sharers.</li> <li>Electric vehicle charging series - electric vehicles and internal wires of electric vehicles, portable AC charging equipment, wall-mounted AC charging equipment, car factory charging equipment wiring harness supply and other electric vehicle charging piles.</li> <li>Power module products for low-orbit satellite starlink cables and communication network cables.</li> </ol>	2025 : 5,000 2026 : 5,000 2027 : 5,000
Power cord set	<ol style="list-style-type: none"> <li>To develop modular power cords that are light, thin, short, easy to carry and comply with environmental regulations.</li> <li>To develop wiring harnesses and charging guns for new energy vehicles, AC/DC charging connector power cord sets.</li> <li>To develop 5G special-purpose (building, solar) power cables that comply with regulations.</li> </ol>	2025 : 5,000 2026 : 5,000 2027 : 5,000

4. The impact of important domestic and foreign policies and legal changes on the Company's financial business and countermeasures:  
As of the publication date of the latest annual report and this year's report, the company's finances and business have not been affected by important domestic and foreign policy and legal changes. And in response to the new restrictions of EU environmental protection regulations, the company has fully completed its lead-free and chromium-free processes and products, which is in line with the trend of international environmental protection trends.
5. The impact of technological changes (including information security risks) and industrial changes on the Company's financial business and countermeasures:  
The Company always pays attention to the changes in relevant technologies in the industry, grasps market trends, and evaluates their impact on the company's operations.  
The Company's information security risk management system is led by the information supervisor of the head office to lead the information personnel in each factory area to implement the security management of the computer room, ensure data security and continuous operation of information systems and equipment, and implement various operations of information security policies, and regularly conduct information security audits, and strengthen employee information security education and training.  
There have been no major technological changes (including information security risks) in the most recent year and up to the date of publication of this annual report, and no major impact on the Company's financial business.
6. The impact of corporate image changes on corporate crisis management and countermeasures:  
Since its establishment, the Company has been committed to its own business operations, strengthening internal management, and improving management quality and efficiency. After the Company went public in 2007, its image has become more positive. In last year, it has actively developed high-margin products such as white goods, smart homes, low-orbit satellites, and electric vehicles, and established a brand business division to strengthen its product visibility.
7. Expected benefits, possible risks and countermeasures of mergers and acquisitions: The Company currently has no plans for mergers and acquisitions.
8. Expected benefits, possible risks and countermeasures of plant expansion:  
In order to meet the needs of future business growth, the Company will continue to expand the production capacity of each production base and increase market share.
9. Risks and countermeasures for centralized purchase or sales:  
Risks of concentrated purchases and countermeasures: Due to the diversification of products and the active development of customer sources, the Company has no risk of concentrated purchases in 2024 and 2023.  
Risk of sales concentration and countermeasures: The Company has diversified products and is actively exploring customer sources. According to the sales situation of its top 10 customers in 2024 and 2023, there is no risk of sales concentration.
10. Directors, supervisors or major shareholders holding more than 10% of the shares, the impact, risks and countermeasures of a large number of equity transfers or replacements on the Company:  
The Company's directors, supervisors or major shareholders holding more than 10% of the shares have not transferred or replaced a large number of shares in the most recent year and as of the publication date of this annual report.
11. The impact of the change of management right on the Company, possible risks and countermeasures:  
In the most recent year and as of the publication date of this annual report, the Company has

not had any changes in its management rights, so this is not applicable.

12. Litigation or non-litigation

(1) Regarding the Company's litigation, non-litigation or administrative disputes that have been decided or are still pending in the last two years and as of the publication date of this annual report, the results of which may have a significant impact on shareholders' rights or securities prices need to be revealed. This includes the facts of the lawsuit, the amount of the subject matter, the start date of the lawsuit, the main parties involved in the lawsuit, and the current processing status: None.

(2) The Company's directors, supervisors, general manager, actual person in charge, major shareholders and subsidiaries with a shareholding ratio of more than 10% have been determined by judgment in the last two years and as of the publication date of this annual report, or the litigation, non-litigation or administrative disputes that are still pending, the outcome of which may have a significant impact on the Company's shareholders' equity or securities prices: None.

13. Other important risks and countermeasures: None.

7. Other important matters: None.

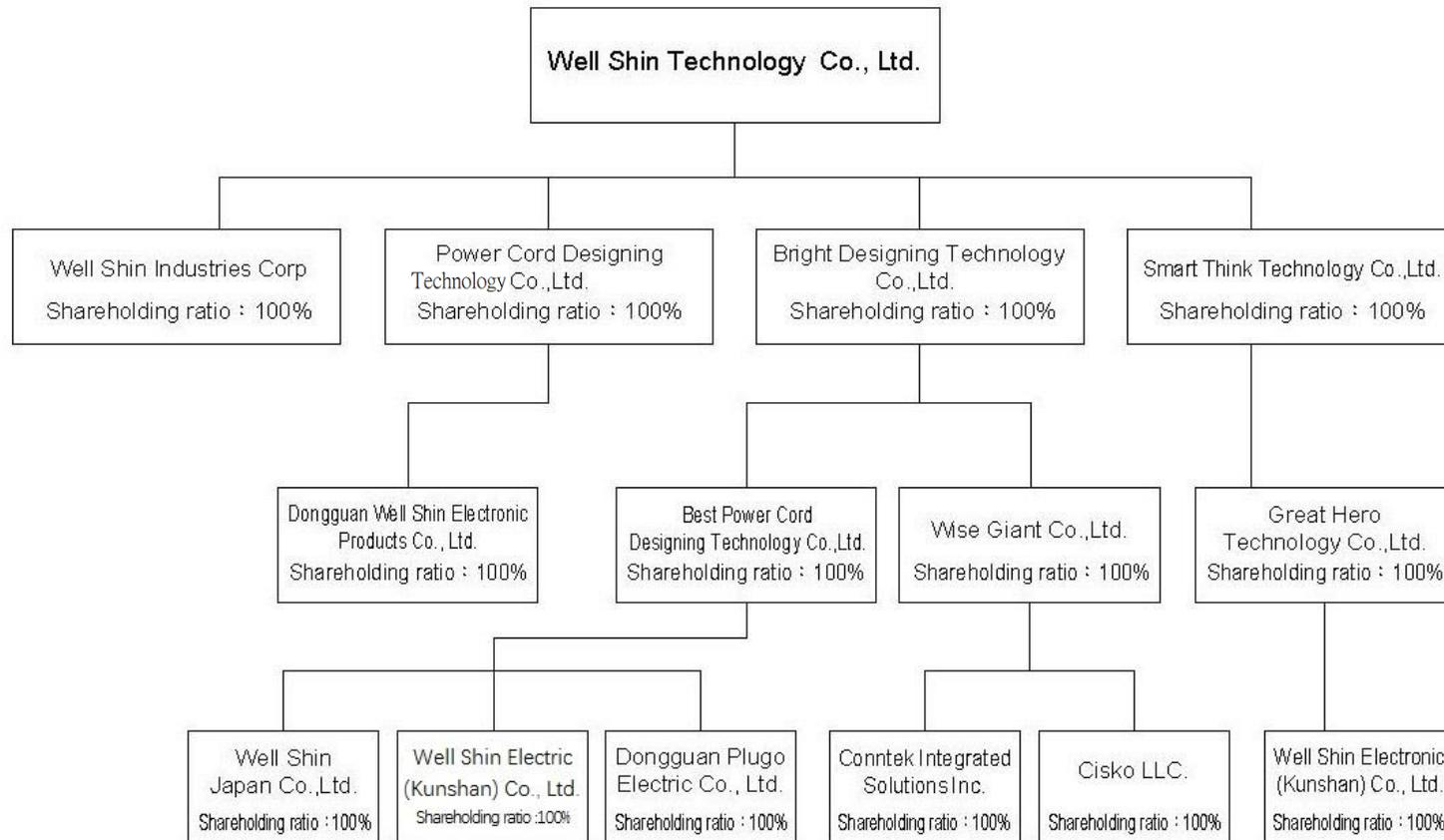
## VI. Special items to be included

### Relevant information of affiliated companies:

#### (1) Relevant information of affiliated companies:

1. The consolidated business report of the affiliated companies

(1) Organization chart of affiliated companies: (2024/12/31)



Note 1: According to Article 369-3 of the Company Act, it is presumed to have a controlling and subordinate company: None.

Note 2: Affiliated companies directly or indirectly controlled by the Company in terms of personnel, finance, or business operations in accordance with Article 369-2, Paragraph 2 of the Company Act: None.

## 2. Basic information of each affiliated company

Company name	Date of establishment	Address	Paid-in capital	Main business or production items
Bright Designing Technology Co., Ltd.	2003.10.06	60 Market Square,P.O.Box 364, Belize City, Belize.	USD35,817,060	Reinvested holding company
Power Cord Designing Technology Co., Ltd.	2003.01.13	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa.	USD14,250,000	Reinvested holding company
Smart Think Technology Co., Ltd.	2003.09.29	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa.	USD22,500,000	Reinvested holding company
Well Shin Industries Corp.	2023.7.25	1801 Trane Way Louis ville, KY 40299	USD1,000,000	Manufacture power cables, electronic components, and sale of electronic materials
Best Power Cord Designing Technology Co., Ltd.	2003.05.08	Level 3,Alexander House,35 Cybercity, Ebene, Mauritius.	USD16,297,060	Reinvested holding company
Great Hero Technology Co.,Ltd.	2003.10.13	Level 3,Alexander House,35 Cybercity, Ebene, Mauritius.	USD22,500,000	Reinvested holding company and trading of electronic materials
Wise Giant Co., Ltd.	2006.01.10	Level 3,Alexander House,35 Cybercity, Ebene, Mauritius.	USD18,000,000	Reinvested holding company
Conntek Integrated Solutions Inc.	2005.12.07	4640 W Ironwood Dr. Franklin, WI53132. USA	USD5,850,000	Sales of wire and cable, electronic components and materials
Cisko LLC.	2006.08.09	4640 W Ironwood Dr. Franklin, WI53132 .USA	USD12,150,000	Warehouse rental service
Well Shin Japan Co., Ltd.	2008.03.14	4-4 Kubon 2-chome, Takatsu-ku, Kawasaki City 12-1101	JPY9,900,000	Sales of wire and cable, electronic components and materials
Dongguan Well Shin Electronic Products Co., Ltd.	1993.12.22	Changlong Village, Huangjiang Town, Dongguan City	USD14,250,000	Sales of wire and cable, electronic components and materials

Company name	Date of establishment	Address	Paid-in capital	Main business or production items
Well Shin Electronic (Kunshan) Co., Ltd.	2003.11.26	Jinxi Town Development Zone, Kunshan City	USD22,000,000	Sales of wire and cable, electronic components and materials
Well Shin Electric (Kunshan) Co., Ltd.	2005.05.27	No. 448, Kunkai Road, Jinxi Town, Kunshan City	USD13,200,000	Sales of wire and cable, electronic components and materials
Dongguan Plugo Electric Co., Ltd.	2011.03.28	Room 301, No. 3, Changdong Street, Huangjiang Town, Dongguan City, Guangdong Province	USD3,000,000	Wire and cable, electronic component materials and sales of household appliances

Note1: All affiliated companies, regardless of their size, should be disclosed.

Note 2: If each affiliated company has a factory, and the sales value of the factory's products exceeds 10% of the controlling company's operating revenue, the name of the factory, date of establishment, address and the main products produced by the factory should be added.

Note 3: If the affiliated company is a foreign company, its business name and address can be expressed in English, the date of establishment can also be expressed in AD, and the paid-in capital can also be expressed in foreign currency (but the exchange rate on the reporting date should be added).

Note 4: The exchange rate between US dollars and Taiwan dollars on December 31, 2024 is 1:32.73.

3. Information on the same shareholders who are presumed to have control and subordination: None.

4. The industry covered by the business of the overall affiliated companies

The Company's business includes: wire and cable, electronic components manufacturing, electronic materials and household appliances wholesale and retail, injection molding machines and their parts, peripheral equipment production and sales etc.

Businesses operated by the company's affiliated companies: Please refer to the main business or production items in the above "Basic Information of Each Affiliated Company".

5. Information on the directors, supervisors and general managers of each affiliated company

Company name	Title (Note 1)	Name or representative	Holding shares (Note 2) (Note 3)	
			Capital contribution	Capital contribution ratio
Bright Designing Technology Co., Ltd.	Chairman	Well Shin Technology Co., Ltd. Representative: Wu, Jui-Hsiung	USD35,817,060	100%
	Supervisor	None		
	General manager	None		
Power Cord Designing Technology Co., Ltd.	Chairman	Well Shin Technology Co., Ltd. Representative: Wu, Jui-Hsiung	USD14,250,000	100%
	Supervisor	None		
	General manager	None		
Smart Think Technology Co., Ltd.	Chairman	Well Shin Technology Co., Ltd. Representative: Wu, Jui-Hsiung	USD22,500,000	100%
	Supervisor	None		
	General manager	None		
Well Shin Industries Corp.	Chairman	Well Shin Technology Co., Ltd. Representative: Wu, Yen-Ting	USD1,000,000	100%
	Supervisor	None		
	General manager	Wu, Yen-Ting		
Best Power Cord Designing Technology Co., Ltd.	Chairman	Bright Designing Technology Co., Ltd. Representative: Wu, Jui-Hsiung	USD16,297,060	100%
	Supervisor	None		
	General manager	None		
Great Hero Technology Co., Ltd.	Chairman	Smart Think Technology Co.,Ltd. Representative: Wu, Jui-Hsiung	USD22,500,000	100%
	Supervisor	None		
	General manager	None		

Company name	Title (Note 1)	Name or representative	Holding shares (Note 2) (Note 3)	
			Capital contribution	Capital contribution ratio
Wise Giant Co., Ltd.	Chairman	Bright Designing Technology Co., Ltd. Representative: Wu, Jui-Hsiung	USD18,000,000	100%
	Supervisor	None		
	General manager	None		
Conntek Integrated Solutions Inc.	Chairman	Wise Giant Co., Ltd. Representative: Wu, Yen-Ting	USD5,850,000	100%
	Supervisor	None		
	General manager	Drew Sying Liu		
Cisco LLC.	Chairman	Wise Giant Co., Ltd. Representative: Wu, Yen-Ting	USD12,150,000	100%
	Supervisor	None		
	General manager	Drew Sying Liu		
Well Shin Japan Co., Ltd.	Chairman	Best Power Cord Designing Technology Co., Ltd. Representative: Wu Yan-Yi	USD97,060	100%
	Supervisor	None		
	General manager	None		
Dongguan Well Shin Electronic Products Co., Ltd.	Chairman	Power Cord Designing Technology Co., Ltd. Representative: Wu, Jui-Hsiung	USD14,250,000	100%
	Director	Wu, Yan-Ting, Xie, Cheng-Rong		
	Supervisor	Wu, Zhi-Gao		
	General manager	Wu, Jui-Hsiung		
Well Shin Electronic (Kunshan) Co., Ltd.	Chairman	Great Hero Technology Co., Ltd. Representative: Wu, Jui-Hsiung	USD22,000,000	100%
	Director	Wu, Zhong-Xin, Wu, Rui-Wang		
	Supervisor	Chen, Zhi-Yao		
	General manager	Wu, Jui-Hsiung		

Company name	Title (Note 1)	Name or representative	Holding shares (Note 2) (Note 3)	
			Capital contribution	Capital contribution ratio
Well Shin Electric (Kunshan) Co., Ltd.	Chairman	Best Power Cord Designing Technology Co., Ltd. Representative: Wu, Jui-Hsiung	USD13,200,000	100%
	Director	Wu, Zhong-Xin, Wu, Rui-Wang		
	Supervisor	Chen, Zhi-Yao		
	General manager	Wu, Jui-Hsiung		
Dongguan Plugo Electric Co., Ltd.	Chairman	Best Power Cord Designing Technology Co., Ltd. Representative: Wu, Jui-Hsiung	USD3,000,000	100%
	Director	None		
	Supervisor	None		
	General manager	Wu, Jui-Hsiung		

Note 1: If the affiliated enterprise is a foreign company, it is necessary to list those whose positions are equivalent.

Note 2: If the invested company is a joint stock limited company, the number of shares and shareholding ratio must be filled in; otherwise, the capital contribution and capital contribution ratio should be filled in and indicated.

Note 3: When the directors and supervisors are legal persons, the relevant information of the representative should be additionally disclosed.

6. Financial status and operating results of each affiliated company:

Unit: Unless otherwise specified, the unit is in thousands of NT dollars

Company name	Capital amount	Total assets	Total liabilities	Net worth	Operating revenue	Operating profit (loss)	Profit and loss for the period (after tax)	earnings per share (loss) (NT\$) (after tax)
Power Cord Designing Technology Co., Ltd.	475,412	3,098,851	0	3,098,851	0	0	352,550	24.74
Bright Designing Technology Co., Ltd.	1,097,168	1,585,834	20	1,585,814	0	0	(20,155)	(0.56)
Smart Think Technology Co., Ltd.	734,428	1,750,339	0	1,750,339	0	0	102,612	4.56
Well Shin Industries Corp.	32,415	17,221	3,955	13,266	0	(19,004)	(18,842)	(18.84)
Best Power Cord Designing Technology Co., Ltd.	533,403	858,040	0	858,040	0	0	24,618	1.51
Wise Giant Co., Ltd.	589,140	775,700	0	775,700	0	0	(43,397)	(2.41)
Great Hero Technology Co., Ltd.	736,425	1,750,332	0	1,750,332	0	0	102,612	4.56
Well Shin Japan Co., Ltd.	3,177	90	499	(409)	4,773	(435)	(450)	(2,272.73)
Conntek Integrated Solutions Inc.	191,471	522,568	279,506	243,062	390,761	(27,680)	(34,708)	(5.93)
Cisco LLC.	397,670	539,203	6,565	532,638	9,667	(13,703)	(8,689)	N/A
Dongguan Well Shin Electronic Products Co., Ltd.	456,354	3,595,321	496,559	3,098,762	2,828,213	326,123	352,451	N/A
Well Shin Electronic (Kunshan) Co., Ltd.	720,060	2,134,108	383,825	1,750,283	2,007,865	89,170	102,612	N/A
Well Shin Electric (Kunshan) Co., Ltd.	432,036	933,348	131,337	802,011	919,738	13,379	25,168	N/A
Dongguan Plugo Electric Co., Ltd.	98,190	57,063	743	56,320	1,219	(985)	(102)	N/A

Note 1: All affiliated companies, regardless of their size, should be disclosed.

Note 2: If the affiliated company is a foreign company, the relevant figures on the balance sheet are all converted into NT dollars at the exchange rate on the reporting date (US dollar/TWD=32.73; RMB/TWD=4.4780). Profit and loss figures are presented by converting the annual average exchange rate (US dollar/TWD=32.11; RMB/TWD=4.4543) into New Taiwan dollars.

(2) Consolidated financial statements of affiliated companies: The Company's 2024 (from January 1, 2024 to December 31, 2024) shall be included in accordance with the "Consolidated Business Reports of Related Enterprises Consolidated Financial Statements and Relationship Reports of Related Enterprises". The Company that prepares the consolidated financial statements of affiliated enterprises is the same as the company that should be included in the preparation of the consolidated financial statements of the parent company and its subsidiaries according to the Financial Accounting Standards Bulletin No. 7. In addition, the relevant information that should be disclosed in the consolidated financial statements of affiliated enterprises has been disclosed in the consolidated financial statements of the parent and subsidiary companies disclosed above, and the consolidated financial statements of affiliated enterprises will not be prepared separately.

(3) Affiliated company report: None.

**2. Handling of private placement of securities in the most recent year and as of the publication date of this annual report: None.**

**3. Other necessary supplementary explanations: None.**

**4. In the most recent year and as of the date of publication of this annual report, if any matters that have a significant impact on shareholders' equity or securities prices as stipulated in Subparagraph 2, Paragraph 3, Article 36 of the Securities Exchange Act: None.**