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Annual Report 2024

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Company Website: www.soe-ele.com

1. The names, title, telephone numbers, and e-mail addresses of the Spokesperson and Deputy spokesperson:

Spokesperson:

Name: Shih-Chang Chen

Title: Chief Executive Officer

Telephone: +886-2-2796-5628

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Deputy Spokesperson:

Name: Juei-Chen Chang

Title: Vice President

Telephone: +886-2-2796-5628

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2. Headquarter, branch office and factories:

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Phone number of Headquarter: +886-2-2796-5628

3. The name, address, website, and telephone number of the stock transfer agent:

Name: Shareholder Services Department, Fubon Securities Co., Ltd.

Website: <https://www.gfortune.com.tw/EBF/Index>

Address: 6F., No. 6, Sec. 1, Zhongxiao W. Rd., Zhongzheng Dist., Taipei City,
Taiwan (R.O.C.)

Phone number: +886-2-2371-1658

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CPAs: Yung-Chih Lin 、 Fu-Ming Liao

Company: PricewaterhouseCoopers Taiwan

Address: 27F., No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City 110, Taiwan (R.O.C.)

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5. The name of the Exchange where the overseas securities are listed and the method for querying the information of the overseas securities: None

6. Company website: www.soe-ele.com

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I. REPORT TO SHAREHOLDERS

Ladies and gentlemen, esteemed shareholders:

The consolidated operating income of the Company for 2024 was NT\$1,614,880 thousand, an increase of NT\$325,930 thousand compared to NT\$1,288,950 thousand in 2023, representing a growth of 25.29%. In response to the restructuring of the global industrial supply chain and geopolitical changes, the Company has continued to adjust its operational strategy. In October 2024, the Company completed the integration of Leroad Special Vehicles' manufacturing business. Presented below is the operational overview for the year:

1. Summary of 2024 Operational Plan

(1) Implementation of the business plan:

- 1) Conductive thin film business
 - Continued to provide high-quality and stable supply of thin film products
 - Maintained market competitiveness of the core business
- 2) Expansion of automotive electronics business
 - Continued to explore market opportunities in Southeast Asia
 - Strategically evaluated overseas production bases in response to geopolitical trends
- 3) Special vehicles manufacturing business
 - Successfully integrated Leroad Special Vehicles' manufacturing business in October 2024
 - Established a comprehensive product line and improved the deployment of production bases
 - Strengthened and enhanced the Group's overall competitive advantage

2. Summary of 2025 Operational Plan

(1) Business Policy

- 1) Cultivate the automotive electronics market and expand global customer base
- 2) Enhance R&D and design capabilities
- 3) Improve cost control and resource integration efficiency
- 4) Prudently assess the feasibility of overseas production bases

(2) Important Production and Sales Policies and Development Strategy:

- 1) Strategically increase global market share
- 2) Deepen strategic cooperation in the supply chain

- 3) Develop platform products to enhance overall production efficiency
- 4) Systematically integrate Group resources to maximize synergies
- 5) Establish a global production layout to effectively diversify operational risks

3. External Environmental Impact Assessment

In the face of global supply chain restructuring and geopolitical changes, the Company continues to pay attention to changes in international policies and regulations, and has obtained ISO 14001, ISO 45001, and DEKRA ASPICE CL2 certifications. The Company is committed to fulfilling corporate social responsibility and flexibly adjusting operational strategies in response to changes in the external environment.

4. Conclusion

We will continue to cultivate automotive electronics technology, integrate our strengths in special vehicles manufacturing, and build a global footprint to create maximum value for our stakeholders. We are confident that we will achieve better operating results in 2025.

Chairman: Jong-Hwa Chin

Manager: Shih-Chang Chen

Accounting Supervisor: Kae-Ru Chiang

II. CORPORATE GOVERNANCE REPORT

1. Directors, general manager, deputy general manager, assistant general manager, department heads, and branch managers' information

(1) Director information

April 29, 2025

Title	Nationality or Place of Registration	Name	Gender / Age	Appointment Date	Term of office	Initial Appointment Date	Shares held at the time of appointment		Current Number of Shares Held		Current Shares Held by Spouses and Minor Children		Shareholding Held in the Name of Others		Principal Education and Career Background	Current Positions Held in the Company and Other Companies	Spouse or Second Degree of Kinship as Heads of Departments, Directors, or Supervisors			Remarks
							Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %			Title	Name	Relationship	
Chairman	Republic of China	Jong-Hwa Chin	Male 60-70	2023.6.27		2022.6.30	—	—	—	—	—	—	13,125,000	8.87	China Municipal Vocational School Founder of Minth Group Ltd. Founder of Minth Group Founding Director of Zhejiang Xinhua Love Education Foundation	Chairman of the Company Chairman of Jiaxing Shun Min Electronic Co., Ltd. Chairman of Jiaxing Learoad Special Vehicle Co., Ltd. Founding Director and Standing Chairman of Zhejiang Xinhua Love Education Foundation Chairman of the Board of Minth Holdings Chairman of Minth University of Science and Technology	Director	Kuo- Feng Chin	Father and son.	—
Director	Republic of China	CTBC Bank acts as the custodian for the Lung Hung Limited investment portfolio.	—	2023.6.27		2019.6.10	12,600,000	8.52	12,600,000	8.52	—	—	—	—	—	—	—	—	—	—
	Republic of China	Representative: Kuo-Feng Chin	Male 30-40	2023.6.27	3 years	2017.5.3	—	—	—	—	—	—	12,600,000	8.52	Education and Professional Qualifications: Department of Business Administration, University of Toronto, Canada Experience: Chairman of Shun On Electronic Co., Ltd.	Director of Cayman Shun On Electronic Co., Ltd. Director of Swift Success Holding Ltd Director of Rich Easy Investments Ltd. Director of Shun Min Holdings Limited Director of Erindale Investment Limited Director of Minth University of Science and Technology Chief Strategy Officer of Minth Group	Chairman	Jong- Hwa Chin	Father and son.	—
Director	Republic of China	Min Tai International Co., Ltd.	—	2023.6.27	3 years	2017.5.3	26,251,691	17.75	26,251,691	17.75	—	—	—	—	—	—	—	—	—	—
	Japan	Representative: TOMOYUKI YAMADA	Male 40-50	2023.6.27	3 years	2019.6.10	—	—	—	—	—	—	—	—	Education and Professional Qualifications: Postgraduate Program of Law, Nanzan University Nanzan University Master of Law Nanzan University Bachelor of Law Experience: Minth Group Limited Director Assistant, Minth Automotive Parts (INDIA) Private Limited Director, Minth Automotive Parts (THAILAND)Co., Ltd. Director	Minth Japan Co., Ltd. President Representative Director	—	—	—	—
Director	Republic of China	Zhijia Investment Co., Ltd.	—	2023.6.27	3 years	2019.6.10	13,953,000	9.43	13,953,000	9.43	—	—	—	—	—	Supervisor of Hui Yang Venture Capital Co., Ltd. Director of Senyun Precision Optics Co., Ltd. Director of Lianjia International Investment Co., Ltd. Director of Selita Precision Co., Ltd. Supervisor of Jijia Communications Co., Ltd.	—	—	—	—

Title	Nationality or Place of Registration	Name	Gender / Age	Appointment Date	Term of office	Initial Appointment Date	Shares held at the time of appointment		Current Number of Shares Held		Current Shares Held by Spouses and Minor Children		Shareholding Held in the Name of Others		Principal Education and Career Background	Current Positions Held in the Company and Other Companies	Spouse or Second Degree of Kinship as Heads of Departments, Directors, or Supervisors			Remarks
							Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %			Title	Name	Relationship	
Director	Republic of China	Representative: Pei-Cheng Yeh	Male 60-70	2023.6.27	3 years	2019.6.10	—	—	—	—	—	—	—	—	Education and Professional Qualifications: EMBA, National Chengchi University Ming Hsin University of Science and Technology Experience: Chairman of GIGABYTE Technology Co., Ltd. Chairman of Zhijia Investment Co., Ltd. Chairman of Jijia Communications Co., Ltd. Director (corporate representative) of Yingjia Technology Co., Ltd. Chairman of Lianjia International Investment Co., Ltd. Director (corporate representative) of Pepsi International Co., Ltd. Director of Albatron technology Co., Ltd., Director (corporate representative) of AMIDA Technology, Inc. Director (corporate representative) of Spirox Corporation	Chairman of GIGABYTE Technology Co., Ltd. Chairman of Zhijia Investment Co., Ltd. Chairman of Jijia Communications Co., Ltd. Director (corporate representative) of Yingjia Technology Co., Ltd. Chairman of Lianjia International Investment Co., Ltd. Chairman of Baojia Union Co., Ltd. Director of Wahsin Technology Co., Ltd. Director (corporate representative) of Pepsi International Co., Ltd. Director of Albatron technology Co., Ltd. Director (corporate representative) of AMIDA Technology, Inc. Director (corporate representative) of Spirox Corporation	—	—	—	—
Director	Republic of China	Chicony Electronics Co., Ltd.	—	2023.6.27	3 years	2008.6.13	10,752,254	7.27	10,752,254	7.27	—	—	—	—	—	Corporate director of Unikey Electronics Co., Ltd. Corporate director and supervisor of HIPRO ELECTRONICS CO., LTD. Corporate director of XAVi Technologies Corporation Corporate director of Chicony Power Technology Co., Ltd. Corporate director of Shun On Electronic Co., Ltd. Corporate director of Newmax Technology Co., Ltd. Corporate director of Maishi No.2 Venture Investment Co., Ltd. Corporate director of Puxunjiu Venture Investment Co., Ltd. Corporate director of Puxunjiu Phase 2 Venture Investment Co., Ltd. Corporate director of TOP TAIWAN XI VENTURE CAPITAL CO., LTD. Corporate director of Beike Zhixing Venture Investment Co., Ltd. Corporate director of Beike Zhixing 2 Venture Investment Co., Ltd. Corporate director of Zhengdazhixing Venture Investment Co., Ltd. Corporate director of Chengding Venture Investment Co., Ltd. Corporate director of Shengda Venture Investment Co., Ltd.	—	—	—	—
Director	Republic of China	Representative: Chin-Chung Lu	Male 60-70	2020.6.11	3 years	2018.9.20	—	—	—	—	—	—	—	—	Education and Professional Qualifications: Department of Business Administration and MBA Program, National Chengchi University Experience: Vice General Manager of Chicony Electronics Co., Ltd. Chairman of Chicony Power Technology Co., Ltd. Chairman of XAVi Technologies Corporation Chairman of Unikey Electronics Co., Ltd.	Director of Chicony Overseas Inc. Chairman (corporate representative) of Unikey Electronics Co., Ltd. Director of Hipro Overseas (BVI) Inc. Director of Chicony Electronics (Thailand) Co., Ltd. Corporate representative director of HIPRO ELECTRONICS CO., LTD. Chairman (corporate representative) of XAVi Technologies Corporation Chairman (corporate representative) of Chicony Power Technology Co., Ltd. Director of Chicony America Inc. Director of Chicony Electronics (Dongguan) Co., Ltd.	—	—	—	—

Title	Nationality or Place of Registration	Name	Gender / Age	Appointment Date	Term of office	Initial Appointment Date	Shares held at the time of appointment		Current Number of Shares Held		Current Shares Held by Spouses and Minor Children		Shareholding Held in the Name of Others		Principal Education and Career Background	Current Positions Held in the Company and Other Companies	Spouse or Second Degree of Kinship as Heads of Departments, Directors, or Supervisors			Remarks
							Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %			Title	Name	Relationship	
																Director of Mao-Feng International Inc. Director of Chicony Electronics (Suzhou) Co., Ltd. Director of Chicony Electronics CEZ s.r.o. Director of Global Faith Inc. Director of Chicony Electronics Japan Inc. Director of Kuang Mao International Inc. Director of Chicony America Group Inc. Supervisor of Chicony Electronics (Chongqing) Co., Ltd. Director of Real Young Electronics Co., Ltd. Supervisor of Maorui Electronics Dongguan Co., Ltd. Corporate representative director of Kuang Sheng Investment Co., Ltd. Corporate representative director of Chun Ching Power Technology Co., Ltd. Director of Chicony Power Holdings Inc. Director of Chicony Power International Inc. Director of Chicony Power Technology Hong Kong Limited Director of Chicony Power USA, Inc. Director of Chicony Power Technology (Suzhou) Co., Ltd. Director of Chicony Power Technology (Dongguan) Co., Ltd. Director of Guang Sheng Electronics (Nan Chang) Co., Ltd. Director of Chicony Power Technology (Chongqing) Co., Ltd. Director of Chicony Energy Saving Technology (Shanghai) Co., Ltd. Director of Chicony Power Technology (Thailand) Co.,Ltd. Director of Directmax International Ltd. Director of Systemax Development Ltd. Chairman of XAVi (Suzhou) Technologies Co., Ltd. Director of XAVi Technologies (Thailand) Co., Ltd. Director of Chicony Electronics Co., Ltd. Director of Clevo Co. Corporate representative director of Shun On Electronic Co., Ltd. Corporate representative director of Newmax Technology Co., Ltd. Corporate representative director of Zhengdazhixing Venture Investment Co., Ltd.				

Title	Nationality or Place of Registration	Name	Gender / Age	Appointment Date	Term of office	Initial Appointment Date	Shares held at the time of appointment		Current Number of Shares Held		Current Shares Held by Spouses and Minor Children		Shareholding Held in the Name of Others		Principal Education and Career Background	Current Positions Held in the Company and Other Companies	Spouse or Second Degree of Kinship as Heads of Departments, Directors, or Supervisors			Remarks
							Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %			Title	Name	Relationship	
Director	Republic of China	Min Tai International Co., Ltd.	—	2023.6.27	3 years	2017.5.3	26,251,691	17.75	26,251,691	17.75	—	—	—	—	—	—	—	—	—	—
	Republic of China	Representative: Juei-Chen Chang	Female 30-40	2023.6.27	3 years	2023.6.27	0	0	0	0	—	—	—	—	Education and Professional Qualifications: Department of Business Administration, National Chengchi University Department of Industrial Engineering, University of Toronto Experience: Director of Rui Yu Enterprise Co., Ltd. Director of Li Pin Food Industry Co., Ltd.	Deputy General Manager of the Company Director of Rui Yu Enterprise Co., Ltd. Chairman of Rui Wei Investment Co., Ltd.	—	—	—	—
Independent Director	Republic of China	Wen-Rong Cheng	Male 50-60	2023.6.27	3 years	2023.6.27	—	—	—	—	—	—	—	—	Education and Professional Qualifications: Master of Accounting, National Taiwan University Experience: Lead Accountant of Fu Po Accounting Firm Adjunct Lecturer, Department of Public Finance and Tax Administration, National Taipei University of Business	Lead Accountant of Fu Po Accounting Firm Independent Director of Pan-International Industrial Corp. Supervisor of Top Food Industry Corporation Director of Fubo Co., Ltd.	—	—	—	—
Independent Director	Republic of China	Sheng-Kung Tai	Male 70-80	2023.6.27	3 years	2017.5.3	—	—	—	—	—	—	—	—	Education and Professional Qualifications: Ph.D. in Commerce, University of South Australia Master of Finance, University of Houston Department of Pharmacy, Massachusetts College of Pharmacy and Health Sciences School of Pharmacy, Taipei Medical University Experience: CEO of Taipei-Ningbo Exchange Foundation Founder of Ningbo Smart Pharmaceutical Co., Ltd. Founder of Ningbo Harvest Polymer		—	—	—	—
Independent Director	Republic of China	Kuo-Fei Li	Female 40-50	2023.6.27	3 years	2023.6.27	—	—	—	—	—	—	—	—	Education and Professional Qualifications: Department of Business Administration, Fu Jen Catholic University Master of Accounting, University of Hawai'i Experience: President of Zhejiang Expo Holdings Group Co., Ltd.	President of Zhejiang Expo Holdings Group Co., Ltd.	—	—	—	—

A. Major Shareholders of the Company among Corporate Shareholders (with a shareholding ratio of 10% or ranking within the top ten)

April 29, 2025

Name of corporate shareholder (Note 1)	Major shareholder of corporate shareholder (Note 2)
Zhijia Investment Co., Ltd.	GIGABYTE Technology Co., Ltd. (100%)
Chicony Electronics Co., Ltd.	Kun-Tai Hsu (7.45%), Yuanta Taiwan High Dividend Equity Fund (4.95%), Taipei Fubon Commercial Bank Co., Ltd. in its capacity as Master Custodian for Fuh Hwa Taiwan Technology Dividend Highlight ETF (3.65%), Hua Nan Commercial Bank in its capacity as Master Custodian for Yuanta Taiwan Value High Dividend ETF (3.31%), Labor Pension Fund (New Scheme) (3.04%), Uconn Electronics Co., Ltd. (2.58%), Hung Hui Co., Ltd. (2.01%), Mega International Commercial Bank, Finance Department (1.97%), Chunghwa Post Co., Ltd. (1.90%), JPMorgan Chase Bank, Taipei Branch in its capacity as Master Custodian for investment account of J.P. Morgan Securities Ltd. (1.74%)
Min Tai International Co., Ltd.	MAX VIEWER DEVELOPMENT LIMITED (100%)
Lung Hung Co., Ltd., British Virgin Islands	William Chin (100%)

B. The major shareholders of corporate shareholders who are themselves corporations

April 29, 2025

Legal Entity Name (Note 1)	Major Shareholders and their Shareholding Ratios (Note 2)
GIGABYTE Technology Co., Ltd.	Taishin International Bank Co., Ltd. in its capacity as Master Custodian for the Cathay Taiwan High Dividend ESG ETF under the umbrella of the Cathay High Dividend Taiwan Equity Fund (7.20%), Ming Wei International Co., Ltd. (6.36%), Fubon Life Insurance Co., Ltd. (4.86%), Yuanta Taiwan High Dividend Equity Fund (4.57%), Pei-Cheng Yeh (4.51%), Meng-Ming Ma (3.54%), Ming Wei Investment Co., Ltd. (2.10%), Chunghwa Post Co., Ltd. (2.03%), Cathay Life Insurance Co., Ltd. (1.43%), Xi Wei Investment Co., Ltd. (1.37%)
UNIKEY ELECTRONICS CO., LTD.	Chicony Electronics Co., Ltd. (100%)
Hongwell Co., Ltd	Kun-Tai Hsu (42.5%), Ching Yuan Investment Co., Ltd. (28.91%), Hong Chi Investment Co., Ltd. (10.8%), Hong Ze Investment Co., Ltd. (10.8%), Hua Tai Investment Co., Ltd. (3.41%), Tung Ling Investment Co., Ltd. (2.15%), Min-Chen Kang (1.16%), Wen-Hsin Hsu (0.25%), Feng-Chu Lin (0.02%)
HIPRO ELECTRONICS CO., LTD.	Chicony Electronics Co., Ltd. (100%)
MAX VIEWER DEVELOPMENT LIMITED	Max Viewer Investments Limited(100%)

(2) Disclosure of Director's Professional Qualifications and Independence Information

Name \ Requirements	Professional Qualifications and Experience	Independence status	Number of Independent Directorships in Other Publicly Listed Companies
Jong-Hwa Chin	Please refer to the "Director Information" section in this annual report (pages 3-6) for directors' professional qualifications and experience. All directors have not been involved in any of the situations specified in Article 30 of the Company Law.	The information provided above applies to non-independent directors.	0
Representative of Lung Hung Co., Ltd.: Kuo-Feng Chin			0
Representative of Min Tai International Co., Ltd.: TOMOYUKI YAMADA			0
Representative of Chicony Electronics Co., Ltd.: Chin-Chung Lu			0
Representative of Zhijia Investment Co., Ltd.: Pei-Cheng Yeh			0
Representative of Min Tai International Co., Ltd.: Juei-Chen Chang			0
Wen-Rong Cheng		All independent directors meet the following criteria: 1. They comply with the relevant provisions of the "Regulations Governing the Establishment and Compliance Matters of Independent Directors in Public Companies" (Note 1). 2. They, their spouse, and minor children do not hold any shares of the Company. 3. They have not received any remuneration from the Company or its affiliated enterprises in the past two years for providing business, legal, financial, accounting, or other services.	1
Sheng-Kung Tai			0
Kuo-Fei Li			0

Note 1:	<p>In the two years prior to appointment and during the term of office, none of the following circumstances apply:</p> <ol style="list-style-type: none"> (1) Being an employee of the Company or its affiliated enterprises. (2) Being a director or supervisor of the Company or its affiliated enterprises. (3) The individual, their spouse, minor children, or any person acting on their behalf holds more than 1% of the total issued shares of the Company or is among the top ten shareholders. (4) The individual's spouse, relatives within the second degree of kinship, or lineal blood relatives within the third degree of kinship are managers as mentioned in the first or second circumstances. (5) Being a director, supervisor, or employee of a corporate shareholder who directly holds more than 5% of the total issued shares of the Company, is among the top five shareholders, or is appointed as a director or supervisor of the Company pursuant to Article 27, Paragraph 1 or 2 of the Company Act. (6) The majority of the director seats or voting shares with the Company are controlled by the same person who is a director, supervisor, or employee of another company or institution. (7) The chairman, general manager, or equivalent position of the Company and another company or institution are the same person or spouse, and the other company or institution has directors (trustees), supervisors (supervisors), or employees. (8) Being a director (trustee), supervisor (supervisor), manager, or shareholder holding more than 5% of the shares of a specific company or institution that has financial or business transactions with the Company. (9) Professionals, sole proprietors, partners, directors (trustees), supervisors (supervisors), managers, and their spouses who have provided business, legal, financial, accounting, or other related services to the Company or its affiliated enterprises and have received a cumulative remuneration exceeding NT\$ 500,000 in the past two years. This includes individuals, sole proprietorships, partnerships, companies, or institutions. However, members of the Remuneration Committee, the Public Tender Offer Review Committee, or the Merger Special Committee fulfilling their duties under the Company Act or relevant laws related to corporate mergers are not subject to this restriction. (10) Government entities, juridical persons, or their representatives who are not covered by the provisions of Article 27 of the Company Act.
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(3) Board Diversity and Independence

1) Board of Directors' Diversity Situation

The company has set up a board of directors consisting of 9 members, including 3 independent directors, to ensure diversity in terms of professional backgrounds covering industries, law, management, and financial accounting. This promotes a diverse composition of board members. The main policy objectives include:

- i The composition of the board of directors should consider diversity and develop appropriate diversity policies based on its own operations, business models, and development needs. These policies may include, but are not limited to, the following two major aspects:
 - (i) Basic criteria and values: Gender, age, nationality, and culture, among others.
 - (ii) Professional knowledge and skills: Professional backgrounds (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience, among others.
- ii Board members should generally possess the necessary knowledge, skills, and qualities required for carrying out their duties. The overall competencies that should be possessed include:
 - (i) Operational judgment ability
 - (ii) Accounting and financial analysis ability
 - (iii) Management capability
 - (iv) Crisis management ability
 - (v) Industry knowledge
 - (vi) international market insight
 - (vii) Leadership and decision-making ability

The current board of directors of our company consists of nine directors, and the specific management objectives of our board's diversified composition policy have been achieved as follows:

Management objectives	Achievement status
Independent directors occupy more than one-third of the total director seats.	Achieved.
Directors who also hold executive positions should not exceed one-third of the total director seats.	Achieved.
The tenure of independent directors does not exceed three terms.	Achieved.
Adequate diversity in professional knowledge and skills.	Achieved.

iii The implementation of diversity among the members of our board of directors is reflected in the following aspects:

Core Elements of Diversification Director's Name	Basic Composition					Operational Judgment and Management	Crisis Handling and Leadership Decision- making	Industry Knowledge	International Market Insight	Financial Accounting	Legal Expertise
	Nationality	Gender	Simultaneously Holding a Position as an Employee of The Company	Independent Director Tenure							
				Less Than 3 Years	3 to 6 Years						
Chairman: Jong-Hwa Chin	Republic of China	Male	No			✓	✓	✓	✓	✓	
Director - Lung Hung Co., Ltd., entrusted by China Trust Commercial Bank for the management of investment portfolio; representative: Kuo-Feng Chin	Republic of China	Male	No			✓	✓	✓	✓	✓	
Director - Min Tai International Co., Ltd.; Representative: TOMOYUKI YAMADA	Japan	Male	No			✓	✓	✓	✓		✓
Representative of Chia Jia Investment Co., Ltd.: Pei- Cheng Yeh	Republic of China	Male	No			✓	✓	✓	✓	✓	
Representative of Chicony Electronics Co., Ltd.: Chin-Chung Lu	Republic of China	Male	No			✓	✓	✓	✓	✓	
Director - Min Tai International Co., Ltd.; Representative: Juei-Chen Chang	Republic of China	Female	Yes			✓	✓	✓	✓		
Independent Director - Wen-Rong Cheng	Republic of China	Male	No	✓		✓	✓		✓	✓	
Independent Director - Sheng-Kung Tai	Republic of China	Male	No	✓		✓	✓		✓	✓	
Independent Director - Kuo-Fei Li	Republic of China	Female	No	✓		✓	✓		✓	✓	

- iv If the number of seats held by a director of any gender on the Board of Directors is less than one-third of the total number of seats, explain the reasons for such a situation and plan for measures to be taken to promote gender diversity among the directors: The description of the current situation and improvement measures are as follows:

(i) Description of the current situation

Restrictions on industry structure and characteristics: The industry has long been male-dominated, and the participation of female talent in these areas is relatively low, which in turn affects the proportion of women in decision-making positions.

Late start in policy promotion: Compared to advanced countries such as Europe and the U.S., Taiwan has a late start in policies on gender equality and Board diversity. Although there have been gradual improvements, more systematic measures and resources are still required to narrow the gender gap.

(ii) Planning and implementation measures

Actively seek and attract women with professional capabilities to join the Board of Directors, targeting female talent with professional backgrounds, leadership experiences and international perspectives. Strengthen the corporate brand image and cultural values, and create a decision-making environment that is diversified, inclusive and supportive of gender equality, so as to attract female professionals. Through the above measures, we will enhance gender diversity on the Board of Directors.

2) Board independence status.

Independent directors account for 33% of board members; directors who hold concurrent employment roles account for 11% of board members; there are 3 independent directors who have served for less than 3 years on the board. As of the end of 2024, all independent directors complied with the regulations of the Financial Supervisory Commission Securities and Futures Bureau regarding independent directors. There was no situation as specified in Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act between the directors and independent directors, thus ensuring the independence of the board of directors (please refer to page 10 for information on director qualifications and disclosure of independence).

(4) General manager, deputy general manager, assistant general manager, department heads, and branch managers' information

April 29, 2025

Title	Nationality	Name	Gender	Appointment Date	Shareholding		Shares Held by Spouses and Minor Children		Shareholding Held in the Name of Others		Principal Education and Career Background	Concurrent Positions in Other Companies	Spouse or Relatives of Second Degree or Closer Acting as Managers			Remarks (Note 1)
					Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %			Title	Name	Relationship	
Chairman	Republic of China	Jong-Hwa Chin	Male	2022.06.30	26,251,691	17.75	—	—	13,125,000	8.87	China Municipal Vocational School Founder of Minth Group Ltd. Founder of Minth Group Founding Director of Zhejiang Xinhua Love Education Foundation	Chairman of Jiaxing Shun Min Electronic Co., Ltd. Chairman of Jiaxing Learoad Special Vehicle Co., Ltd. Founding Director and Standing Chairman of Zhejiang Xinhua Love Education Foundation Chairman of the Board of Minth Holdings Chairman of Minth University of Science and Technology	—	—	—	—
General Manager	Republic of China	Shih-Chang Chen	Male	2022.11.11	—	—	—	—	—	—	M.S., Computer Engineering Department, Snow City University B.S., Control Engineering Department, National Chiao Tung University Gigabyte Technology Co., Ltd. - Assistant Vice President Motorola - Application Engineer Intel - Technical Application Engineer	Gigabyte Technology Co., Ltd.-Chairman's Assistant	—	—	—	—
Vice General Manager	Republic of China	Juei-Chen Chang	Female	2022.11.11	8,000	0.01	—	—	—	—	Department of Business Administration, National Chengchi University B.S., Department of Industrial Engineering, University of Toronto Shun On Electronic Co., Ltd. - Deputy General Manager	Director of Rui Yu Enterprise Co., Ltd. Chairman of Rui Wei Investment Co., Ltd.	—	—	—	—

Title	Nationality	Name	Gender	Appointment Date	Shareholding		Shares Held by Spouses and Minor Children		Shareholding Held in the Name of Others		Principal Education and Career Background	Concurrent Positions in Other Companies	Spouse or Relatives of Second Degree or Closer Acting as Managers			Remarks (Note 1)
					Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %			Title	Name	Relationship	
											Minth Group - Chairman's Assistant Lian Xiang Wedding Cake Co., Ltd.- Operations Manager Director of Li Pin Food Industry Co., Ltd.					
Chief Technical Officer	Republic of China	Tzu-Chien Hsu	Male	2017.08.07	-	-	-	-	-	-	M.S., Institute of Biomedical and Electrical Engineering, National Chung Hsing University Autoeqips Tech Technology Co., Ltd., Technical Director Vehicle Research and Testing Center, Assistant Engineer	—				Note 2
Chief Financial Officer	Republic of China	Yi-Hui Yeh	Female	2013.08.09	12,820	0.01	-	-	-	-	B.A., Department of Accounting, Chung Yuan Christian University Shun On Electronic Co., Ltd. Director of Finance, Finance Department. Shun On Electronic Co., Ltd. Assistant Manager of Audit. Shun On Electronic Co., Ltd. Assistant Manager of Accounting. Auditor at PwC Taiwan.	—	—	—	—	Note 2
Chief Financial Officer	Republic of China	Kae-Ru Chiang	Female	2024.11.20	-	-	-	-	-	-	M.S., Department of Accounting, Baruch College, City University of New York, U.S. B.A., Department of Political Science with a Minor in Economics, National Taiwan University	—				Note 2

Title	Nationality	Name	Gender	Appointment Date	Shareholding		Shares Held by Spouses and Minor Children		Shareholding Held in the Name of Others		Principal Education and Career Background	Concurrent Positions in Other Companies	Spouse or Relatives of Second Degree or Closer Acting as Managers			Remarks (Note 1)
					Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %			Title	Name	Relationship	
											Master Transportation Bus Manufacturing Ltd., Chief Financial Officer momo.com Inc., Assistant General Manager/Deputy Director Zhen Ding Technology Holding Limited/Avary Holding (Shenzhen) Co., Limited, Head of Finance					
Human Resources Center Department Head	Republic of China	I-Ying Chen	Female	2019.05.10	—	—	—	—	—	—	M.S., Counseling, Clinical and Business Psychology, Ming Chuan University B.A., Department of Finance and Banking, Chihlee University of Technology University AUTOTEKI Co., Ltd., HR Manager Innovative Food Co., Ltd., HR Manager Japanese-Style Horn Co., Ltd., Operations Supervisor	—	—	—	—	Note 2

Note 1: When the General Manager or an equivalent position is the same person as the Chairman, spouse, or close relative, the reasons, rationale, necessity, and corresponding measures should be disclosed (e.g., increasing the number of independent director seats, ensuring that over half of the directors do not hold positions as employees or executives) with respect to such arrangement.

Note 2: Tzu-Chien Hsu departed as Chief Technology Officer on March 8, 2024, Yi-Hui Yeh departed as Chief Financial Officer on December 31, 2024, Kae-Ru Chiang was appointed as Chief Financial Officer on November 20, 2024, and I-Ying Chen departed as Head of Human Resources on March 31, 2025.

2. Remuneration of directors, general manager, and deputy general manager for the most recent fiscal year

(1) Remuneration of general directors and independent directors for the year 2024

Unit: NT\$1,000

Title	Name	Remuneration of Directors								A, B, C, and D Total Amount and Proportion to Ratio of Net Income After Tax (Note 6)		Remuneration Received as an Employee Concurrently								A, B, C, D, E, F, and G Total Amount and Proportion to Ratio of Net Income (Note 6)		Whether There Is Remuneration Received From Subsidiaries or Non- subsidiary Investment Enterprises (Note 7)
		Remuneration (A) (Note 1)		Retirement Benefits (B)		Director's Remuneration (C) (Note 2)		Business Execution Expenses (D) (Note 3)				Salary, Bonus, and Special Expenses, etc. (E) (Note 4)		Retirement Benefits (F)		Employee Compensation (G) (Note 5)						
		The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company		All Companies in the Financial Report		The Company	All Companies in the Financial Report			
														Cash Amount	Stock Amount	Cash Amount	Stock Amount					
Chairman	Jong-Hwa Chin	-	-	-	-	-	-	70	70	0.06%	0.06%	-	-	-	-	-	-	-	-	70 0.06%	70 0.06%	None
Director	Lung Hung Co., Ltd., British Virgin Islands Representative : Kuo-Feng Chin	-	-	-	-	-	-	70	70	0.06%	0.06%	-	-	-	-	-	-	-	-	70 0.06%	70 0.06%	None
Director	Min Tai International Co., Ltd. Representative : Juei-Chen Chang	-	-	-	-	-	-	80	80	0.07%	0.07%	1,556	1,556	-	-	-	-	-	-	1,636 1.45%	1,636 1.45%	None
Director	Representative of Chicony Electronics Co., Ltd.: Chin-Chung Lu	-	-	-	-	-	-	70	70	0.06%	0.06%	-	-	-	-	-	-	-	-	70 0.06%	70 0.06%	None
Director	Representative of Chia Jia Investment Co., Ltd.: Pei- Cheng Yeh	-	-	-	-	-	-	70	70	0.06%	0.06%	-	-	-	-	-	-	-	-	70 0.06%	70 0.06%	None
Director	Representative of Min Tai International Co., Ltd.: TOMOYUKI YAMADA	-	-	-	-	-	-	70	70	0.06%	0.06%	-	-	-	-	-	-	-	-	70 0.06%	70 0.06%	None

Independent Director	Wen-Rong Cheng	240	240	-	-	-	-	160	160	0.36%	0.36%	-	-	-	-	-	-	-	-	400 0.36%	400 0.36%	None
Independent Director	Sheng-Kung Tai	240	240	-	-	-	-	180	180	0.37%	0.37%	-	-	-	-	-	-	-	-	420 0.37%	420 0.37%	None
Independent Director	Kuo-Fei Li	240	240	-	-	-	-	140	140	0.34%	0.34%	-	-	-	-	-	-	-	-	380 0.34%	380 0.34%	None
<p>1. Please explain the policy, system, standards and structure by which independent director compensation is paid, and association between the amount paid and independent directors' responsibilities, risks, and time committed: Independent directors of the Company are compensated with professional service fee and travel allowance for the services rendered, regardless of profitability, for which the Company may choose to pay in fixed amounts. The level of compensation is set after taking into consideration their participation and contribution to the Company's operations and peer levels.</p> <p>2. In addition to the disclosed information in the table above, the remuneration received by directors of the Company in the latest fiscal year for providing services to all companies in the financial report (such as serving as non-employee consultants) is none.</p>																						

Note 1: Refers to the salary, allowances, retirement benefits, various bonuses, and incentives received by directors in the latest fiscal year.

Note 2: Refers to the director's remuneration amount distributed by the board of directors for the most recent fiscal year.

Note 3: Refers to the car and travel expenses, special expenses, various allowances, dormitories, vehicle provision, and other items received by directors in the latest fiscal year.

Note 4: Refers to the remuneration received by directors who also hold positions as employees in the latest fiscal year (including those who also hold positions as general managers, deputy general managers, other managers, and employees), including salaries, allowances, retirement benefits, various bonuses, incentives, car and travel expenses, special expenses, various allowances, dormitories, vehicle provision, and other items.

Note 5: Refers to the employee compensation (including stocks and cash) received by directors who also hold positions as employees (including those who also hold positions as general managers, deputy general managers, other managers, and employees) in the latest fiscal year.

Note 6: Net income after tax refers to the net income after tax for the most recent year of the individual or separate financial statements.

Note 7: The amount of remuneration received by directors from investees other than subsidiaries or the parent company (if none, indicate "none").

* The contents of the remuneration disclosed in this table are different from the income concept under the Income Tax Act. Therefore, the purpose of this table is for information disclosure purposes and not for tax purposes.

(2) Compensation for the General Manager and Deputy General Manager in 2024

Unit: NT\$1,000

Title	Name	Salary (A) (Note 1)		Retirement Benefits (B)		Bonus and Special Allowances (C) (Note 2)		Employee Compensation (D) (Note 3)				A, B, C, and D Total Amount and Proportion to Ratio of Net Income After Tax (%) (Note 4)		Whether There Is Remuneration Received From Subsidiaries or Non-subsidiary Investment Enterprises (Note 5)
		The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company		All Companies in the Financial Report		The Company	All Companies in the Financial Report	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
General Manager	Shih-Chang Chen	-	-	-	-	-	-	-	-	-	-	-	-	None
Vice General Manager	Juei-Chen Chang	1,465	1,465	-	-	171	171	-	-	-	-	1,636 1.45%	1,636 1.45%	None

Note 1: Refers to the salary, position allowance, severance pay, various bonuses, and incentives received by the General Manager in the most recent fiscal year.

Note 2: Please provide the details of bonuses, incentives, transportation expenses, special allowances, subsidies, accommodation, company-provided vehicles, and other remuneration received by the General Manager and Vice General Manager in the most recent fiscal year.

Note 3: Indicates the amount of employee remuneration (including stock and cash) allocated to the General Manager by the Board of Directors in the most recent fiscal year.

Note 4: Net income after tax refers to the net income after tax for the most recent year of the individual or separate financial statements.

Note 5: Amount of remuneration received by the General Manager from subsidiary companies or non-consolidated investee companies or related parties of the parent company (indicate "N/A" if none).

* The contents of the remuneration disclosed in this table are different from the income concept under the Income Tax Act. Therefore, the purpose of this table is for information disclosure purposes and not for tax purposes.

(3) The remuneration of the top five highest-paid executives in the Company for the fiscal year 2024

Unit: NT\$1,000

Title	Name	Salary (A) (Note 1)		Retirement Benefits (B)		Bonus and Special Allowances (C) (Note 2)		Employee Compensation (D) (Note 3)				A, B, C, and D Total Amount and Proportion to Ratio of Net Income After Tax (%) (Note 4)		Whether There Is Remuneration Received From Subsidiaries or Non-subsidiary Investment Enterprises (Note 5)
		The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company		All Companies in the Financial Report		The Company	All Companies in the Financial Report	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chief Financial Officer (Note 6)	Yi-Hui Yeh	2,226	2,226	-	-	160	160	-	-	-	-	2,386 2.12%	2,386 2.12%	None
Vice General Manager	Juei-Chen Chang	1,465	1,465	-	-	171	171	-	-	-	-	1,636 1.45%	1,636 1.45%	None
Head of Human Resources (Note 7)	I-Ying Chen	1,133	1,133	-	-	93	93	-	-	-	-	1,226 1.09%	1,226 1.09%	None
Chief R&D Officer (Note 8)	Tzu-Chien Hsu	384	384	-	-	188	188	-	-	-	-	572 0.51%	572 0.51%	None
Chief Financial Officer (Note 9)	Kae-Ru Chiang	202	202	-	-	-	-	-	-	-	-	202 0.18%	202 0.18%	None

Note 1: This section provides the salary, position allowances, and severance pay of the top five highest-paid executives in the most recent fiscal year.

Note 2: This section lists the amounts of various bonuses, incentives, transportation allowances, special allowances, subsidies, housing, car benefits, and other forms of remuneration received by the top five highest-paid executives in the most recent fiscal year.

Note 3: This section discloses the employee remuneration (including stock and cash) allocated to the top five highest-paid executives, as approved by the board of directors in the most recent fiscal year.

Note 4: Net income after tax refers to the net income after tax for the most recent year of the individual or separate financial statements.

Note 5: The remuneration of the top five highest-paid executives in the Company includes amounts received from subsidiaries or related companies outside the scope of the Company's operations (if applicable, indicate "none").

Note 6: Departed on December 31, 2024.

Note 7: Departed on March 31, 2025.

Note 8: Departed on March 8, 2024.

Note 9: Appointed on November 20, 2024.

* The contents of the remuneration disclosed in this table are different from the income concept under the Income Tax Act. Therefore, the purpose of this table is for information disclosure purposes and not for tax purposes.

- (4) Names and allocation of remuneration for distributed employee compensation: For the fiscal year 2024, the Company reported a net loss after tax, and the board of directors has approved not to distribute any remuneration, therefore not applicable.
- (5) A comparative analysis is provided, separately, for the past two years, regarding the proportion of total remuneration paid to the directors, general manager, and deputy general manager of the Company and all consolidated entities in the individual or separate financial statements. The analysis also includes an explanation of the remuneration policy, standards, and composition, the establishment of the remuneration program, and the relationship between the remuneration and the Company's operating performance and future risks:
- A. Comparative analysis is conducted to analyze the proportion of the total remuneration paid to the directors, general manager, and deputy general manager of the Company and all consolidated entities in the individual or separate financial statements for the past two years, in relation to the net profit after tax.

2023	2024
The proportion of the total remuneration paid to the directors, general manager, and deputy general manager of the Company and all consolidated entities, in relation to the net profit after tax.	The proportion of the total remuneration paid to the directors, general manager, and deputy general manager of the Company and all consolidated entities, in relation to the net profit after tax.
-3.91%	2.50%

- B. Policy, Standards, Composition, and Formulation of Remuneration, and its Relationship with Business Performance and Future Risks.
- a. Remuneration to directors of the Company is determined according to Article 19 of our company's bylaws, which says that "if the Company generates profits in a fiscal year, 10% to 15% shall be allocated for employee remuneration. The distribution can be made in the form of stock or cash at the discretion of the board of directors. The recipients of such distribution include eligible employees of the Company, its domestic and foreign subsidiaries, subject to certain conditions determined by the authorized board of directors. Additionally, the board of directors may allocate up to 5% of the aforementioned profit amount as remuneration for directors, and reports on the distribution of employee and director remuneration shall be submitted to the board of shareholders. However, in the case of accumulated losses, an amount shall be reserved in advance for offsetting purposes." Therefore, after allocating the total amount of remuneration for directors and supervisors according to the proportion, consideration is given to the evaluation in the "Board Performance Evaluation Measures," as well as the degree of involvement of each director in the Company's operations, achievement of performance targets, the value of contributions, and industry standards. The overall operational performance, future business risks, and development trends of the industry are also taken into account to provide reasonable compensation.

- b. The salary of the general manager and deputy general manager of the Company is determined by referencing the compensation levels of similar positions in the industry. A fixed salary is agreed upon and paid monthly. The variable portion consists of year-end bonuses and employee profit-sharing, which are allocated based on the annual operational performance and contributions. The employee remuneration portion is allocated as recognized expenses in accordance with Article 19 of the Company's bylaws and distributed based on individual performance.

The above-mentioned remuneration amounts are approved by the Remuneration Committee and subsequently reported to the Board of Directors for recognition and implementation.

- c. Relevance to business performance and future risk

In accordance with the Company's bylaws, if the Company generates profits in a given year, a percentage ranging from 10% to 15% will be allocated for employee remuneration, and a maximum of 5% will be allocated for director and supervisor remuneration. However, when the Company accumulates losses, an amount is set aside in advance for compensatory purposes. Following this principle, the remuneration for directors, supervisors, and employees is distributed, resulting in relatively low risks.

In summary, the Company's policy and procedures for remunerating directors, general managers, and deputy general managers are positively correlated with operational performance. The company also periodically reviews the remuneration system based on actual operating conditions and relevant laws and regulations, aiming to achieve sustainable operations and risk management.

3. Corporate governance operations

(1) Operations of the Board of Directors :

In the fiscal year 2024, the Board of Directors convened for a total of 7 meetings (A), and the attendance of directors was as follows:

Title	Name	Actual Attendance of Director B	Number of Meetings Delegated to Others	Actual Attendance Rate (%) [B / A]	Remarks
Chairman	Jong-Hwa Chin	7	-	100%	
Director	Min Tai International Co., Ltd. Representative: TOMOYUKI YAMADA	7	-	100%	
Director	Lung Hung Co., Ltd., British Virgin Islands Representative: Kuo-Feng Chin	4	3	57%	
Director	Representative of Chicony Electronics Co., Ltd.: Chin-Chung Lu	7	-	100%	
Director	Representative of Chia Jia Investment Co., Ltd.: Pei-Cheng Yeh	5	2	71%	
Director	Min Tai International Co., Ltd. Representative: Juei-Chen Chang	7	-	100%	
Independent Director	Wen-Rong Cheng	7	-	100%	
Independent Director	Sheng-Kung Tai	6	1	86%	
Independent Director	Kuo-Fei Li	6	-	86%	

Other items that shall be recorded:

- If any of the following circumstances occur in the operation of the board of directors, the date, term, agenda, opinions of all independent directors and the Company's handling of independent directors' opinions should be described:
 - Conditions mentioned in Article 14-3 of the Securities and Exchange Act: The Company has assembled an Audit Committee and is therefore not subject to Article 14-3 of the Securities and Exchange Act. For disclosures relating to Article 14-5 of the Securities and Exchange Act, please refer to section - "The operational status of the Audit Committee."
 - Other board resolutions that were opposed or had reservations from independent directors with recorded or written statements, besides the aforementioned items: None.
- Members who recused themselves from voting on matters related to conflicts of interest shall state their names, the content of the resolution, the reasons for recusal, and their voting participation:
 - Board Meeting Date: 2024/09/10
 - Agenda item: Purchase of equity interest in Jiaying Learoad Special Vehicle Co., Ltd. (hereinafter referred to as Jiaying Learoad) through the subsidiary Soe Investments Ltd. (hereinafter referred to as Soe).
Directors with conflicts of interest: Chairman Jong-Hwa Chin; Director Kuo-Feng Chin.
Resolution: As this case involves the issue of directors with conflicts of interest, Director Juei-Chen Chang, as the Acting Chairman, inquired with the remaining attending directors, and there were no objections. The resolution was passed accordingly.

- 2) Agenda item: The Company's acquisition of right-to-use assets from related parties.
 Directors with conflicts of interest: Chairman Jong-Hwa Chin; Director Kuo-Feng Chin.
 Resolution: As this case involves the issue of directors with conflicts of interest, Director Juei-Chen Chang, as the Acting Chairman, inquired with the remaining attending directors, and there were no objections. The resolution was passed accordingly.

3. Listed and OTC companies are required to disclose information regarding the evaluation period, scope, method, and content of self-assessment (or peer assessment) conducted by the board of directors. The attached form should be completed to report the implementation of the board evaluation.

- (1) Self-assessment of the board's performance and the functional committees' performance should adhere to the following evaluation period, scope, method, and content:

Evaluation Period	Evaluation duration	Evaluation Scope	Evaluation Method	Evaluation Content
Self-assessment should be conducted annually, while external assessment should be conducted once every three years.	January 1, 2024 to December 31, 2024	This includes performance evaluation of the overall board of directors, individual directors, and functional committees.	The evaluation methods include internal self-assessment of the board, self-assessment of individual directors, appointment of external professional organizations, experts, or other appropriate methods for performance evaluation. The company had conducted performance evaluation using "Board of Directors Performance Self-Assessment Questionnaire," "Director Self-Assessment Questionnaire," and "Functional Committee Performance Self-Assessment Questionnaire" in 2024.	The self-assessment results of the board of directors for 2024 (this evaluation report was approved during the 12th meeting of the 10th board meeting on March 11, 2025) are detailed as follows.

- (2) Results of the 2024 self-assessment of the board of directors and functional committees:

- 1) Out of the 45 performance indicators, the board of directors scored an average of 4.77 (out of 5) across all categories.

Measurement Items	Average Score
1. Involvement in Company Operations	4.64
2. Improvement of board decision quality	4.83
3. Composition of the board of directors	4.81
4. Election and ongoing education of directors	4.75
5. Internal controls	4.89

- 2) Out of the 23 performance indicators, board members scored an average of 4.80 (out of 5) across all categories.

Measurement Items	Average Score
1. Comprehension of the Company's targets and missions	4.93
2. Directors' duty awareness	4.85
3. Involvement in Company Operations	4.67
4. Management and communication of internal relations	4.74
5. Professionalism and ongoing education of directors	4.93
6. Internal controls	4.89

- 3) As for functional committees, the Audit Committee averaged a score of 4.93 (out of 5) across 24 performance indicators, whereas the Remuneration Committee averaged a score of 4.92 (out of 5) across 21 performance indicators.

	Measurement Items	Audit Committee Average Score	Remuneration Committee Average Score
	1. Involvement in Company Operations	4.92	4.83
	2. Awareness of responsibilities of functional committees	4.89	4.89
	3. Enhancing the quality of decision-making in the functional committees.	4.95	5.00
	4. Composition and selection of members of functional committees	4.92	4.92
	5. Internal controls	5.00	-
4)	Conclusion:		
	i.	Based on the outcomes of the above assessments, the board, the individual board members, and functional committees were deemed to have met the performance criteria and served their intended purposes. It is hoped that the participation of the board members in the operation of the Company can be further enhanced, and that the supervision of duties and responsibilities and adequate communication can be strengthened. The management has high hopes for the board, the board members, and functional committees to fulfill their duties in ways that contribute to more robust corporate governance practices for the Company.	
	ii.	This evaluation report is intended to be submitted to the Board of Directors on March 11, 2025.	
4.	Evaluation of the goals and execution of strengthening the functions of the board in the current year and recent years:		
	(1) The company's Board of Directors follows the "Regulations Governing the Meetings of the Board of Directors of Public Issuing Companies" and has been approved by the Board of Directors and submitted to the shareholders' meeting. The operations of the Board of Directors are conducted in accordance with the "Rules of Procedure for Board Meetings."		
	(2) The Audit Committee was established on June 11, 2020, in accordance with the Securities and Exchange Act. Its responsibilities include expressing an opinion on the Company's financial statements, the selection (dismissal) and independence and performance of the certifying accountant, the effective implementation of the Company's internal controls, compliance with relevant laws and regulations, and the management of existing or potential risks. The independent directors of the Company possess legal, accounting, and financial expertise to enhance the legal knowledge and financial analysis capabilities of the Board of Directors, and strengthen the crisis management and decision-making abilities of the Board.		
	(3) Enhancing information transparency: The company has established an investor relations section on its website to provide relevant information of concern to investors through online channels. Disclosure of financial operations and corporate governance information is an important responsibility of the Company. The company has faithfully fulfilled its obligations in accordance with relevant laws and regulations of the securities exchange. The company has established and implemented a spokesperson system, with designated spokespersons and proxy spokespersons for external communications. A unified communication protocol has been defined, and company employees are required to keep financial and business secrets and not disclose information arbitrarily to the public. When changes occur in the spokesperson or proxy spokesperson, information is promptly disclosed.		
	(4) The succession planning for board members and key management positions is as follows:		
	1) The establishment of succession planning for board members (including the chairman of the board) and key management positions (including the general manager, president, and CEO) is defined. In the Company's succession plan, the successor must not only have outstanding job capabilities but also possess personal qualities including integrity, strategic planning, innovation ability, and a high standard of corporate governance. In accordance with good corporate governance practices and to separate the roles of Chairman and General Manager, the Board of Directors approved the appointment of industry professional Mr. Shih-Chang Chen as the General Manager of the Company on November 11, 2022.		
	2) Succession plan implementation (including succession plans for key management positions). The company arranges regular professional training courses for directors, with a minimum of 6 hours per year, to continuously enhance their knowledge and skills and maintain their core values and professional competencies. In response to the rapid development of the group organization, the Company continues to actively cultivate high-potential middle and senior managers, strengthen their core competencies through training, and provide them with job rotations and overseas assignments when appropriate. This systematic approach aims to identify and develop well-rounded talents to strengthen the future management team.		

(2) The operational status of the Audit Committee

The Audit Committee was established by our company on June 11, 2020. In the most recent fiscal year, 2024, the Audit Committee held (A) seven meetings. The attendance record of independent directors at these meetings is as follows:

Title	Name	Actual Attendance Count (B)	Delegated Attendance Count	Actual Attendance Rate (%) [B / A]	Remarks
Independent Director	Wen-Rong Cheng	7	-	100%	
Independent Director	Sheng-Kung Tai	7	-	100%	
Independent Director	Kuo-Fei Li	6	-	86%	

Other items that shall be recorded:

- The operation of the Audit Committee shall be disclosed if any of the following circumstances occur, including the date and period of the meeting, the agenda, the independent directors' dissenting opinions, reservations or significant recommendations, the resolution results of the Audit Committee, and the Company's response to the opinions of the Audit Committee.

(1) Matters listed under Article 14-5 of the Securities and Exchange Act:

Audit Committee Meeting Date	Communication Content	Suggestions and Results
March 15, 2024	<ol style="list-style-type: none"> Internal audit progress report. Business report for 2023. Follow-up on the plan to improve the Company's ability to prepare financial reports. Report on the investment in financial instruments by the Company and its subsidiaries. Proposal of the 2023 Annual Business Report and Financial Statements of the Company. 2023 Annual Loss Offset Plan of the Company. Proposal of the 2023 "Assessment of the Effectiveness of Internal Control System" and "Statement of Internal Control System" of the Company. Amendment to the "Procedures for Fund Lending and Endorsement Guarantee" of the Company. Early Termination of Intercompany Fund Lending. Inter-company fund lending between subsidiaries. Proposal to establish general principles for the Company's policy on pre-approval of non-assurance services. 	The independent directors unanimously approved the following matters in this meeting.
May 9, 2024	<ol style="list-style-type: none"> Internal audit progress report. Regular tracking of report on the investment in financial instruments by the Company and its subsidiaries. The consolidated financial statements for the first quarter of the fiscal year 2024. 	The independent directors unanimously approved the following matters in this meeting.
July 5, 2024	<ol style="list-style-type: none"> Disposal of assets by the Company - Hsinchu land case 	The independent directors unanimously approved the following matters in this meeting.
August 13, 2024	<ol style="list-style-type: none"> Internal audit progress report. Report on the investment in financial instruments by the Company and its subsidiaries. The consolidated financial statements for the first two quarters of the fiscal year 2024. Inter-company fund lending between subsidiaries. 	The independent directors unanimously approved the following matters in this meeting.

Audit Committee Meeting Date	Communication Content	Suggestions and Results
September 10, 2024	<ol style="list-style-type: none"> 1. Purchase of equity interest in Jiaying Learoad Special Vehicle Co., Ltd. through the subsidiary Soe Investments Ltd. 2. The Company's acquisition of right-to-use assets from related parties. 3. Change of the external auditors. 	The independent directors unanimously approved the following matters in this meeting.
November 11, 2024	<ol style="list-style-type: none"> 1. Internal audit progress report. 2. Regular tracking of report on the investment in financial instruments by the Company and its subsidiaries. 3. The consolidated financial statements for the third quarter of the fiscal year 2024. 4. Inter-company fund lending between subsidiaries. 5. Preparation of the Company's 2025 Audit Plan. 6. Amendments to the Company's "Measures Governing Contract Review Management" 7. Regular review of financial statement auditor's independence. 8. Appointment of External Auditor at Company's Expense. 	The independent directors unanimously approved the following matters in this meeting.
March 11, 2025	<ol style="list-style-type: none"> 1. Internal audit progress report. 2. Business report for 2024. 3. Regular tracking of the investment in financial instruments. 4. Approval of the 2024 business report and financial statements 5. Approval of the 2024 loss appropriation 6. Proposal of the 2024 Assessment of the Effectiveness of Internal Control System and Statement of Internal Control System. 7. Early Termination of Intercompany Fund Lending. 8. Independence, service measures and public fees of the external auditors. 9. In response to the internal management needs, a total of 11 items of the electronic computer cycle and related management measures have been amended and updated. 	The independent directors unanimously approved the following matters in this meeting.

- (2) The implementation status of independent directors' recusal from matters involving conflicts of interest shall include the names of independent directors, the content of the agenda, reasons for recusal due to potential conflicts of interest, and their participation in the voting process: No such instances.
2. The implementation status of independent directors' recusal from matters involving conflicts of interest shall include the names of independent directors, the content of the agenda, reasons for recusal due to potential conflicts of interest, and their participation in the voting process: No such instances.
3. Communication between independent directors and the internal audit manager and accountant (including major matters, methods, and results of communication regarding the Company's financial and business conditions):
 - (1) Regular (at least once per quarter) communication between the Audit Manager and the Audit Committee and Independent Directors:
 - 1) The Audit Manager submits audit reports and follow-up reports to the Independent Directors for review on a quarterly basis. (Regular)
 - 2) In addition to submitting audit reports to the Independent Directors for review on a monthly basis, the Internal Audit Department's Manager also reports on significant audit findings to the Audit Committee and the Board of Directors. (Regular)
 - 3) The Audit Manager communicates audit findings and ways to continuously enhance audit value with the Audit Committee as needed through email, telephone, or meetings. (Unscheduled)
 - (2) Communication between the Independent Directors and the Auditor:
 - 1) In accordance with Auditing Standards Bulletin No. 39, "Communication with the Governance Body of the Entity Being Audited," the Auditor engages in written or face-to-face communication with the Audit Committee regarding governance matters related to the audit or review of the Company's consolidated financial statements (including the individual financial statements) during the planning and completion stages. Relevant information is compiled for communication purposes.
 - 2) Summary of communication between independent directors and the Audit Manager and CPA up until the publication date of the 2024 annual report:

Date	Main Topics of Communication	Audit Committee	Accountant	Actions and Outcomes Taken
August 13, 2024	<ol style="list-style-type: none"> Report and communication on the review matters of the 2024 Q2 financial statements. Update of relevant regulations on the internal control of sustainability information. 	Independent directors: Wen-Rong Cheng Sheng-Kung Tai Kuo-Fei Li	CPA Wen-Chin Lin	No comments were raised during this meeting.
November 11, 2024	<ol style="list-style-type: none"> Communication with governance units on the review results of the 2024 Q3 financial statements and the planning stage prior to the annual audit. Communicating with the governance entity on the Audit Quality Indicators. Independence Declaration of CPAs. 	Independent directors: Wen-Rong Cheng Sheng-Kung Tai Kuo-Fei Li	CPA Yung-Chih Lin	No comments were raised during this meeting.
March 11, 2025	<ol style="list-style-type: none"> Independent auditors' report and the individual and consolidated financial statements of 2024. Other communications with governance units during the completion stage. Audit of the independence of CPAs. Audit Quality Indicators. Quality management system of the accounting firm. Knowledge sharing 	Independent directors: Wen-Rong Cheng Sheng-Kung Tai Kuo-Fei Li	Yung-Chih Lin Accountant	No comments were raised during this meeting.

4. Annual Review Focus of the Audit Committee

- Company's Financial Statements
- Establishment or Revision of Internal Control System and Assessment of its Effectiveness
- Significant Assets, Derivative Products, Funding or Endorsement Guarantee Transactions
- Fundraising, Issuance, or Private Placement of Equity-like Securities
- Audit Unit's Audit Plan and Execution Status
- Appointment, Removal, Remuneration, and Independence Assessment of the Signing Auditor
- Appointment and Dismissal of Financial, Accounting, or Internal Audit Executives
- Management's Risk and Control Procedures for Compliance with Laws and Regulations

(3) Operation of Corporate Governance and Differences and Reasons Compared to Listed and OTC Company Governance Practices:

Evaluation Items	Operational Status			Compared to Listed and OTC Companies Corporate Governance Practices Differences Situations and Reasons
	Yes	No	Summary and Explanation	
1. Does the Company "establish and disclose a code of practice of corporate governance in accordance with the "Corporate Governance Best Practice Principles for TWSE & TPEx Listed Companies?"	V		The company has referred to the "Corporate Governance Best Practice Principles for Listed and OTC Companies" and established its own "Corporate Governance Best Practice Guidelines," which are disclosed on the Company's website for downloading and reference. In addition to complying with legal requirements and the Company's bylaws, the Company has established an effective corporate governance framework that ensures the protection of shareholders' rights, enhances the functions of the board of directors, respects the interests of stakeholders, and promotes information transparency.	No differences.
2. Equity Structure and Shareholders' Equity of the Company				
(1) Has the Company established internal operating procedures to handle shareholder suggestions, inquiries, disputes, and legal matters, and are these procedures implemented accordingly?	V		(1) In accordance with our company's "Share Administration Operating Procedures," we entrust a professional share agency to handle related operations, and we have appointed a spokesperson or proxy spokesperson responsible for dealing with shareholder suggestions or disputes.	No differences.
(2) Does the Company have a list of its major shareholders and a list of actual controllers of the major shareholders?	V		(2) The company verifies changes in the shareholdings of major shareholders, including directors, on a monthly basis to stay updated on their holdings. At the same time, we maintain good relationships with major shareholders through interactions to stay informed at all times.	No differences.
(3) Has the Company established and implemented risk management and firewall mechanisms with its related entities?	V		(3) The company and its related entities operate independently in terms of production, sales, research and development, human resources, and finance, adhering to relevant regulations set by regulatory authorities. The company follows its own "Operating Procedures for Financial Loans," "Endorsement and Guarantee Implementation Measures," and "Internal Control System" in its interactions with related entities. We have also established robust risk management for monitoring subsidiary companies.	No differences.
(4) Has the Company set internal regulations prohibiting insiders from trading securities based on undisclosed information in the market?	V		(4) The company has established the "Insider Trading Prevention Management Procedures," and our "Code of Conduct and Business Ethics Guidelines" explicitly states that "trading based on undisclosed information is prohibited." Therefore, all employees are required to adhere to these regulations, and we emphasize compliance and strictly prohibit insider trading within the Company.	No differences.

Evaluation Items	Operational Status			Compared to Listed and OTC Companies Corporate Governance Practices Differences Situations and Reasons
	Yes	No	Summary and Explanation	
3. Composition and Responsibilities of the Board of Directors				
(1) The Board of Directors has formulated a policy on diversity, specific management objectives, and has effectively implemented them.	V		(1) The composition of the board of directors in our company follows the policy of diversity, as stipulated in the "Director Appointment Procedure" and Article 20 of the "Corporate Governance Best Practice Principles." The composition of board members takes into account diversity and appropriate policies are formulated based on the Company's operations, business model, and development needs. For more information on the implementation of board diversity, please refer to pages 10-12 of the "Board Diversity and Independence" section.	No differences.
(2) Besides the Remuneration Committee and Audit Committee, does the Company voluntarily set up other functional committees?	V		(2) The company has established the Remuneration Committee and Audit Committee in compliance with the law, and these committees are currently operational. In the future, additional committees with relevant functions will be established based on actual operational requirements.	No differences.
(3) Has the Company established a set of policies and assessment tools for evaluating board performance, and conducted performance evaluation on a yearly basis? Are performance evaluation results reported to the board of directors and used as reference for compensation, remuneration, and nomination decisions?	V		(3) The company conducts regular performance evaluations of the board of directors in accordance with the "Board Performance Evaluation Procedure" on an annual basis. Please refer to pages 23-24 for the self-assessment details of the board's performance and the performance evaluation of functional committees for the year 2024.	No differences.
(4) Does the Company regularly evaluate the independence of the auditing accountants?	V		(4) The company conducts an annual assessment of the independence, professionalism, and suitability of the external auditors. The auditors and their firms are requested to provide relevant information and an "Independence Declaration" for the board of directors to evaluate. The most recent assessment was completed on March 11, 2025. Based on the evaluation, no issues were found regarding the independence criteria mentioned in the assessment. It is confirmed that the appointed auditors maintain their independence, and the financial reports they issued can be relied upon.	No differences.

Evaluation Items	Operational Status			Compared to Listed and OTC Companies Corporate Governance Practices Differences Situations and Reasons
	Yes	No	Summary and Explanation	
4. Does the listed or OTC company establish a dedicated (or concurrent) position or personnel responsible for corporate governance matters, including but not limited to providing the necessary information for directors and supervisors to carry out their duties, conducting meetings of the board of directors and shareholders' meetings in compliance with the law, handling company registration and changes, and preparing minutes of board of directors and shareholders' meetings?	V		<p>Due to a reassignment of duties of Ms. Yi-Hui Yeh, the Company's former Director of Corporate Governance, on December 20, 2024, the Board of Directors appointed Ms. Kae-Ru Chiang as the Director of Corporate Governance, who possesses over three years of experience as a financial executive in publicly traded companies.</p> <p>The Director of Corporate Governance is responsible for various corporate governance matters, including:</p> <ol style="list-style-type: none"> 1. Handling company registration and changes. 2. Conducting meetings of the board of directors and shareholders' meetings in compliance with the law and assisting the Company in adhering to relevant regulations governing the board of directors and shareholders' meetings. (A total of 7 board meetings and 1 shareholders meeting were held in 2024) 3. Preparing minutes of board of directors and shareholders' meetings. (A total of 7 board meeting minutes and 1 shareholders' meeting minutes was completed in 2024) 4. Providing the necessary information to directors for the execution of their duties and keeping them updated on the latest regulatory developments related to the Company's operations, thereby assisting directors and supervisors in compliance with the law. (Passed consolidated financial statements of the Company for all quarters of 2024 presented by the Audit Committee. Amendment to the "Procedures for Fund Lending and Endorsement Guarantee" of the Company.) 5. Handling matters related to investor relations. 6. Other matters as stipulated in the Company's articles of incorporation or contracts. 	No differences.
5. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), and does it have a dedicated section for stakeholders on its website to address important corporate social responsibility (CSR) issues raised by stakeholders?	V		<p>The company's website has established communication channels for stakeholders such as investors, suppliers, and employees. These channels can be accessed through telephone, email, or in-person visits to the Company, aiming to appropriately safeguard the legitimate rights and interests of stakeholders.</p> <p>For more information on the issues and communication channels concerning stakeholders, please refer to Note 1 (pages 29-30).</p>	No differences.
6. Does the Company appoint a professional stock agency to handle the affairs of the Board of Shareholders?	V		<p>The company has appointed Grand Fortune Securities Co., Ltd, Shareholder Services Department, as the professional shareholder service agency to handle various shareholder matters on behalf of the Company.</p>	No differences.

Evaluation Items	Operational Status			Compared to Listed and OTC Companies Corporate Governance Practices Differences Situations and Reasons
	Yes	No	Summary and Explanation	
<p>7. Information Disclosure</p> <p>(1) Does the Company have a website to disclose financial and corporate governance information?</p> <p>(2) Does the Company employ other means of information disclosure (such as setting up an English website, designating a responsible person for collecting and disclosing company information, implementing a spokesperson system, posting the process of corporate briefings on the Company website, etc.)?</p> <p>(3) Has the Company announced and filed its annual financial report within two months after the end of the accounting year, and announced and filed its first, second, and third quarter financial reports and monthly business operations before the prescribed deadline?</p>	V		<p>(1) The company's website, www.soe-ele.com, has disclosed relevant information regarding the Company's finances, operations, and corporate governance.</p> <p>(2) The company has designated a responsible person to oversee the collection of company information and the disclosure of significant matters. It has also established an investor relations section, appointed a spokesperson, and implemented a spokesperson proxy system to serve as a bridge for information collection, disclosure, and external communication.</p> <p>(3) The company consistently announces and files the annual financial report, as well as the first, second, and third-quarter financial reports, and provides monthly operational updates ahead of the prescribed deadlines. For more details, please refer to the contents filed on the Market Observation Post System. Website https://mops.twse.com.tw/</p>	<p>No differences.</p> <p>No differences.</p> <p>No differences.</p>
<p>8. Does the Company have other important information that helps understand the operation of corporate governance (including but not limited to employee benefits, employee care, investor relations, supplier relationships, rights of stakeholders, status of education and training for directors and supervisors, implementation of risk management policies and risk measurement standards, execution of customer policies, and the Company's purchase of liability insurance for directors and supervisors)?</p>	V		<p>(1) Employee Rights and Employee Care: The company has established dedicated channels to handle various stakeholders' concerns. The Human Resources Department specifically deals with employee rights, and a Welfare Committee has been established to address the needs of employees. Currently, these initiatives are operating smoothly.</p> <p>(2) Investor Relations: The company has established communication channels through the spokesperson and proxy spokesperson system to address shareholder inquiries and relevant issues.</p> <p>(3) Supplier Relationships: The company maintains open communication channels with suppliers, fostering good relationships, and upholding the principles of integrity and mutual benefit in its dealings with them</p> <p>(4) Rights of Stakeholders: The company respects and safeguards the legitimate rights and interests of stakeholders. It maintains effective communication channels with customers, employees, suppliers, and others. It complies with regulatory requirements to provide timely company information through relevant announcements, as detailed in Note 1 (Pages 30).</p>	<p>No differences.</p> <p>No differences.</p> <p>No differences.</p> <p>No differences.</p>

Evaluation Items	Operational Status			Compared to Listed and OTC Companies Corporate Governance Practices Differences Situations and Reasons
	Yes	No	Summary and Explanation	
			<p>(5) Directors' Continuing Education: Each director possesses relevant practical experience and expertise and participates in annual training programs as required. Please refer to table on pages 39-40 for details.</p> <p>(6) Implementation of Risk Management Policies and Risk Measurement Standards: The company evaluates and analyzes significant operational policies, investment projects, endorsements, loan disbursements, and bank financing proposals through the appropriate responsible departments. These proposals are executed based on board resolutions. The Audit Department develops an annual audit plan based on risk assessment results and ensures its effective implementation to supervise and control various risks</p> <p>(7) Execution of Customer Policies: The company has a dedicated department responsible for implementing customer service policies, and the execution is progressing smoothly.</p> <p>(8) The company has purchased directors' liability insurance, updating the policy annually and disclosing relevant information on the Public Information Observation System (PIOS).</p>	<p>No differences.</p> <p>No differences.</p> <p>No differences.</p> <p>No differences.</p>
<p>9. Please explain the improvement measures implemented in response to the Corporate Governance Evaluation System results of the most recent year published by the Corporate Governance Center of Taiwan Stock Exchange; and propose improvement measures for under-performing aspects.</p> <p>According to the priorities for improvement identified in the 11th Corporate Governance Evaluation released in 2024, the following are the explanations:</p> <p>(1) Enhance disclosure in the annual report and on the website regarding the protection measures for employee personal safety and working environment, along with their implementation status.</p> <p>(2) Enhance the disclosure of financial, business, employee benefits, and corporate governance-related information on the Company's website.</p> <p>(3) Establish functional committees beyond those required by law, such as the Sustainable Development Committee and the Risk Management Committee.</p>				

Note 1: Issues of stakeholder concern and communication channels:

Stakeholders	Concerned Issues	Communication practices	Communication effectiveness
Employees	<ul style="list-style-type: none"> ● Company strategy and operational status ● Operational performance ● Employee benefits ● Labor relations 	<ul style="list-style-type: none"> ● The general manager and department heads hold regular face-to-face meetings with employees and conduct regular labor-management meetings. ● Internal corporate intranet message board. ● Employee welfare committee. ● Periodic announcements of various welfare benefits (health checkups, group insurance, etc.). 	<ul style="list-style-type: none"> ● The Employee Welfare Committee provides annual festival vouchers, birthday bonuses, quarterly birthday celebrations, marriage bonuses, funeral condolences, maternity bonuses, and travel subsidies. ● The company provides employees with annual health check-ups every two years. ● Arrangement of employee education, training, and professional development.
Investors / Shareholders.	<ul style="list-style-type: none"> ● Operational performance ● Risk Management ● Shareholder participation. ● Corporate governance and sustainable development strategies. 	<ul style="list-style-type: none"> ● Annual general meeting of shareholders. ● Public Information Observation System (PIOS). ● Financial statements and annual reports. ● Annual investor conference ● Company website messaging system. 	<ul style="list-style-type: none"> ● There were a total of 27 significant announcements in 2024. ● The company has designated spokespersons and investor relations contacts as communication channels for stakeholders, providing timely responses to shareholder or investor inquiries.
Customers	<ul style="list-style-type: none"> ● Information security. ● Information transparency. ● Service quality. 	<ul style="list-style-type: none"> ● Regular communication and discussion meetings. ● Company website messaging system. 	<ul style="list-style-type: none"> ● Maintaining good relationships with customers.
Supplier.	<ul style="list-style-type: none"> ● Information security. ● Information transparency. ● Supplier management. 	<ul style="list-style-type: none"> ● Review reports or meetings. ● Company website messaging system. 	<ul style="list-style-type: none"> ● Maintaining good relationships with suppliers.
Community / non-profit organizations.	<ul style="list-style-type: none"> ● Community care. ● Corporate image. 	<ul style="list-style-type: none"> ● Dedicated units communicate with community residents and invite them to visit the Company's premises. ● Participating in community group activities or forums. 	<ul style="list-style-type: none"> ● Actively participating in forums and seminars organized by various civil society and academic groups.
Government agencies.	<ul style="list-style-type: none"> ● Compliance with regulations. ● Regulatory compliance. ● Environmental protection and energy management. 	<ul style="list-style-type: none"> ● Participating in regulatory public hearings and seminars organized by regulatory authorities. ● Establishing contact points and maintaining good interaction with relevant government agencies. ● Participating in government award evaluations and aligning with national policy trends. 	<ul style="list-style-type: none"> ● Disclosing company information on the Public Information Observation System in accordance with the law. ● Obtaining three international standard certifications: ISO 14001 for environmental management system, OHSAS 18001 for occupational health and safety management system, and ISO 9001 for quality management system.
Media	<ul style="list-style-type: none"> ● Company strategy and operational status ● Disclosure of operational performance and corporate governance information. 	<ul style="list-style-type: none"> ● Conducting press conferences, issuing press releases, and maintaining a company website. 	<ul style="list-style-type: none"> ● Appointing a spokesperson and an investor relations contact person as a communication channel for stakeholders.

- (4) If a company has established a Remuneration Committee, it should disclose its composition, responsibilities, and operation:

A. Information on the members of the remuneration committee.

March 31, 2025

Title and Name		Requirements	Professional Qualifications and Experience	Independence status	Number of Members Who are Also Members of the Remuneration Committee of Other Public Corporations
Independent Director (Convener)	Wen-Rong Cheng		Please refer to the "Disclosure of Directors' Professional Qualifications and Independence of Independent Directors" section in this annual report (page 10) for relevant information.		0
Independent Director	Sheng-Kung Tai				0
Independent Director	Kuo-Fei Li				0

- B. The Remuneration Committee of our company is responsible for evaluating the compensation policies and systems for directors and executives in a professional and objective manner. The committee holds at least two meetings per year and may convene additional meetings as necessary to provide recommendations to the Board of Directors for their decision-making.

- a. The authority of the Remuneration Committee is exercised in accordance with Article 7 of the "Organizational Regulations of the Remuneration Committee" of our company.
 - i Regularly review the Company's compensation practices and propose amendment suggestions.
 - ii Develop and periodically review policies, systems, criteria, and structures for the performance and compensation of directors and executives.
 - iii Conduct regular assessments of the compensation for directors and executives.
- b. The Remuneration Committee fulfills its duties based on the following criteria:
 - i Compensation management should align with the Company's compensation philosophy.
 - ii The evaluation and compensation of directors and executives should consider industry norms and be based on individual performance, company performance, and the reasonable linkage to future risks.
 - iii Directors and executives should not be encouraged to engage in activities that exceed the risk appetite of the Company in pursuit of compensation.
 - iv The proportion of short-term performance-based bonuses and the timing of variable compensation payments for directors and senior executives should be determined taking into account the industry characteristics and the nature of the Company's business.
 - v Members of this committee shall not participate in discussions or voting regarding their own individual compensation decisions.

C. Information on the operation of the Remuneration Committee.

The Remuneration Committee of the Company consists of three members.

- a. Current term of the committee: June 27, 2023, to June 26, 2026. The Remuneration Committee held three meetings in 2024 (A), and the qualifications and attendance of the members are as follows:

Title	Name	Number of Attendances In Person (B)	Delegated Attendance Count	Actual Attendance Rate (%) [B / A] (Note)	Remarks
Convener	Wen-Rong Cheng	3	0	100%	
Committee member	Sheng-Kung Tai	2	0	66.67%	
Committee member	Kuo-Fei Li	2	0	66.67%	

Other items that shall be recorded:

- If the Board of Directors rejects or amends the suggestions of the Remuneration Committee, the date, session number, proposal content, results of Board resolution, and the Company's handling of Remuneration Committee's opinions should be recorded in detail (e.g., where the compensation approved by the Board is higher than the compensation suggested by the Remuneration Committee, the difference and reasons should be detailed):
The Board of Directors of the Company has no specific comments on the Remuneration Committee.
- For decisions of the Remuneration Committee, if any members have objections or reservations and there is a record or written statement, the date, term, agenda content, all members' opinions, and the handling of the members' opinions should be stated: There were no objections or reservations from any members.
- The main communication matters and summary of resolutions up to the publication date of the 2024 annual report are as follows:

Remuneration Committee	Agenda	Resolution Result	The Company's Handling of The Opinions of The Remuneration Committee.
3rd Session of the 5th Term 2024/02/05	Distribution of performance bonuses for the year 2023.	All members of the committee agreed and passed.	Proposed to the Board of Directors and approved by all attending directors.
4th Session of the 5th Term 2024/05/09	Appointment of "Mr. Kuan-Neng Chen" as internal manager	All members of the committee agreed and passed.	Proposed to the Board of Directors and approved by all attending directors.
5th Session of the 5th Term 2024/11/11	1. Compensation of "Mr. Kuan-Neng Chen" as internal manager 2. Appointment of "Ms. Kae-Ru Chiang" as internal manager	All members of the committee agreed and passed.	Proposed to the Board of Directors and approved by all attending directors.

(5) Progress of sustainable development implementation and differences and reasons from sustainability practices guidelines for listed and OTC companies.

Evaluation Items	Operational Status			Any Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and The Reasons For Such Deviation
	Yes	No	Summary and Explanation	
1. Is the Company established with a governance framework for promoting sustainable development, including the establishment of dedicated personnel responsible for driving sustainable development initiatives, authorized by the board of directors and supervised by the board of directors?	V		The company will establish a dedicated position to promote sustainable development in the near future. Upon authorization by the Board of Directors, this unit should consider conducting risk assessments on environmental, social, and corporate governance issues related to the Company's operations. It will formulate relevant risk management and strategies and provide regular reports to the Board of Directors on the progress of sustainable development initiatives.	No significant differences have been identified at this time.
2. Has the Company conducted risk assessments on environmental, social, and corporate governance issues related to its operations, in accordance with the principles of materiality, and established relevant risk management policies or strategies? (Note)	V		The company has implemented the following management systems: ISO 9001 Quality Management System, ISO 14001 Environmental Management System, and ISO 45001 Occupational Health and Safety Management System. Through the continuous operation of these management systems, the Company is able to identify and respond to operational risks related to the environment, employee safety, customers, suppliers, and other aspects in a timely manner. In addition, the Company has established the "Code of Conduct and Operation Guidelines" and "Internal Control System Effectiveness Assessment" to support the implementation of risk management policies. These guidelines are developed in accordance with relevant government regulations and aim to strengthen corporate governance, promote sustainable development, and uphold social welfare.	No significant differences have been identified at this time.
3. Environmental issues (1) Has the Company established an appropriate environmental management system based on its industry characteristics?	V		(1) The company manages environmental matters in accordance with relevant environmental, safety, and health regulations.	No significant differences have been identified at this time.

Evaluation Items	Operational Status			Any Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and The Reasons For Such Deviation
	Yes	No	Summary and Explanation	
(2) Is the Company committed to improving the efficiency of resource utilization and using low environmental impact recycled materials?	V		(2) The company is committed to continuously improving the efficiency of resource utilization. For example, we encourage the use of ceramic cups for drinking water and encourage employees to bring their own utensils, lunch boxes, and reusable chopsticks to reduce the use of paper containers. To minimize paper waste, the Company has implemented paperless office practices and gradually transitioned to electronic office systems. Various internal electronic systems such as DingTalk, MES, and ERP are currently operational.	
(3) Has the Company evaluated the potential risks and opportunities of climate change on its current and future operations, and taken climate-related measures in response?	V		(3) The company places great emphasis on climate change-related issues. In our daily office operations, we encourage the reuse of resources. For example, we use electronic invoices and have implemented the government's electronic document exchange mechanism. We also use the DingTalk app for internal approvals to facilitate efficient document transmission, saving paper and postage costs. Additionally, the main electricity consumption in our office comes from lighting and air conditioning. To fulfill our corporate social responsibility, the Company has implemented the following measures: ① The air conditioning is only activated when the indoor temperature exceeds 30°C in summer and falls below 10°C in winter. ② The air conditioning is set to 26°C, and energy saving LED T5 lamps are used for lighting. There are mechanisms in place to turn off lights during lunch breaks and at the end of the workday. ③ Employees are required to turn off the power switch when leaving the office to reduce energy consumption and mitigate global warming.	
(4) Has the Company tracked its greenhouse gas emissions, water usage, and total waste weight over the past two years, and developed policies for energy conservation, carbon reduction, water reduction, or other waste management?	V		(4) In 2024, the company conducted an inventory of greenhouse gas emissions within the plants. We review the effectiveness of our actions on an annual basis to fulfill our social responsibility of protecting the environment.	

Evaluation Items	Operational Status			Any Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and The Reasons For Such Deviation
	Yes	No	Summary and Explanation	
<p>4. Social Issues</p> <p>(1) Does the Company establish relevant management policies and procedures in accordance with applicable laws and international human rights conventions?</p> <p>(2) Has the Company established and implemented reasonable employee welfare measures (including salary, vacation, and other benefits), and appropriately reflected business performance or results in employee compensation?</p>	V		<p>(1) The working rules and management regulations for employees in the Company and its subsidiaries are established in accordance with the provisions of the Labor Standards Act and relevant laws and regulations. The rights and obligations of labor and management comply with the provisions of labor-related laws, safeguard the legal rights and interests of employees, and are support by appropriate management methods and procedures. The management policies do not violate the provisions of international human rights conventions.</p> <p>(2) The company has established relevant regulations such as "Code of Conduct," "Salary Management Regulations," and "Performance Evaluation Regulations," following the Labor Standards Act and relevant laws and regulations.</p> <p>Employees in the Company and its subsidiaries enjoy labor insurance, health insurance, and employee group insurance. The company also has a welfare committee to implement employee-related benefits. This includes regular employee health checks, birthday bonuses, celebrations, employee trips, parental leave, as well as the distribution of performance bonuses and sharing of surplus earnings among colleagues.</p> <p>Employees in the Company and its subsidiaries enjoy labor insurance, health insurance, and employee group insurance. The company also has a welfare committee to implement employee-related benefits. This includes regular employee health checks, birthday bonuses, celebrations, employee trips, parental leave, as well as the distribution of performance bonuses and sharing of surplus earnings among colleagues. According to Article 19 of the Company's articles of incorporation, "if the Company generates profits in a fiscal year, it is required to allocate 10% to 15% of the profits as employee compensation. This allocation is distributed in the form of stocks or cash through special resolutions of the board of directors. The recipients of this allocation include eligible employees of the Company and its domestic or foreign controlled or subsidiary companies, with the specific conditions authorized by the board of directors."</p>	No significant differences have been identified at this time.

Evaluation Items	Operational Status			Any Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and The Reasons For Such Deviation
	Yes	No	Summary and Explanation	
(3) Does the Company provide a safe and healthy working environment for employees and regularly conduct safety and health education for them?	V		<p>(3) The company has obtained ISO 45001 certification and established an environmental, occupational health, and safety management system. Over the years, it has followed relevant environmental protection, occupational safety, and labor safety regulations, creating a safe, healthy, and environmentally friendly workplace based on environmental impact and safety risk assessments. The company and its subsidiaries have implemented access control management to ensure a secure office environment. Regular employee health checks, labor safety and health seminars are conducted annually or biennially. Regular drills and training on fire management, evacuation, and other safety measures are arranged to enhance the office and facility's safety and hygiene performance. Continuous education, training, and promotion are carried out to develop employees' emergency response capabilities, instill correct safety concepts, strengthen their safety awareness, and reduce accidents caused by unsafe behavior.</p> <p>Other measures include providing free coffee in the office, conducting regular inspections of the drinking water quality to ensure the employees' drinking water safety, and monthly maintenance and environmental disinfection of the air conditioning system.</p> <p>State the number of fire accidents, the number of deaths/injuries, and relative percentage to total employees for 2024, along with improvement measures in response to the fire accidents: None.</p>	
(4) Does the Company establish an effective career development and training program for employees?	V		<p>(4) The personnel handling various matters in the Company and its subsidiaries actively participate in the promotional seminars provided by regulatory authorities. The company also offers opportunities for further education and training, aiming to cultivate and enhance employees' skills by providing an open and diverse learning environment, as well as language learning programs.</p>	

Evaluation Items	Operational Status			Any Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and The Reasons For Such Deviation
	Yes	No	Summary and Explanation	
(5) Does the Company comply with relevant laws and international standards regarding customer health and safety, customer privacy, marketing, and labeling issues related to products and services, and develop policies and procedures to protect consumer or customer rights and handle complaints?	V		(5) The company adheres to ISO 9001 and relevant regulations, implementing consumer protection policies throughout the entire process from receiving orders to handling customer complaints at the end stage. In addition to compliance with relevant regulations and international standards, the Company has established policies and channels to protect consumer rights. For more details, please refer to the Company's website: http://www.soe-ele.com/contact.php	
(6) Does the Company establish a supplier management policy that requires suppliers to adhere to relevant regulations on environmental protection, occupational health and safety, and labor rights, and monitor their implementation?	V		(6) The company adheres to ISO 9001 and establishes a supplier management policy, which requires suppliers to comply with relevant standards in areas such as environmental protection, occupational health and safety, and labor rights. If any non-compliance with these standards is identified, it will be included as an evaluation criterion in the annual supplier assessment, and the continuation of the supplier relationship will be determined based on the circumstances. When entering into contracts with major suppliers, the content includes provisions that allow for termination or dissolution of the contract if the supplier is found to be in violation of its corporate social responsibility policy and has a significant impact on the environment and society.	

Evaluation Items	Operational Status			Any Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and The Reasons For Such Deviation
	Yes	No	Summary and Explanation	
5. Does the Company refer to internationally recognized reporting standards or guidelines when preparing non-financial information disclosure reports such as sustainability reports? Has the aforementioned report obtained confirmation or assurance opinions from independent verification units? Are the abovementioned reports supported by assurance or opinion of a certifier?		V	In 2024, the Company established a Sustainable Development Group, which is committed to promoting sustainable development. The Company expects to publish a Sustainability Report in 2025.	No significant differences have been identified at this time.
6. If the Company has established its own sustainability guidelines based on the "Practical Guidelines for Sustainable Development of Listed and OTC Companies," please describe how they differ from the operational guidelines established. The company will establish a dedicated (or concurrent) unit to promote sustainable development in the near future. Its operation will align with the spirit and principles stipulated in the "Practical Guidelines for Sustainable Development of Listed and OTC Companies."				
7. Other important information to understand the execution of sustainable development: None.				

Note: The materiality principle refers to issues related to environmental, social, and corporate governance that have significant impacts on the Company's investors and other stakeholders.

(5-1) Climate-related actions

Item	Implementation Status
1. Describe how the board of directors and the management exercise supervision and governance over climate-related risks and opportunities.	The board of directors is the ultimate decision maker for climate risk management. The board will assign the management to identify and evaluate climate-related risks, and to carry out tasks such as risk/opportunity assessment, financial impact analysis, risk management, goal setting etc. for compliance with laws.
2. Describe how the climate risks and opportunities identified affect the entity's businesses, strategies, and financial position (short-term, medium-term, and long-term).	The management has been paying close attention to climate risks, and evaluating how the identified risks and opportunities affect the Company's businesses, strategies, and financial position (including short-term, medium-term, and long-term) in the future. The management is responsible for coordinating different departments toward developing responses and crisis management capacities that ensure continuity of future businesses.
3. State the financial impacts of extreme weather events and transition actions.	Extreme weather events may disrupt operations and reduce revenues, and negatively affect financial performance. As the general public becomes increasingly aware of the importance of sustainable growth, the Company plans to evaluate and devise risk management as well as adaptation measures that will ensure more stable financial planning and development over the long term.
4. Describe the procedures undertaken to identify, evaluate, and manage climate risks, and how they are integrated into the risk management system.	The Company expects to incorporate climate change and environmental risks into the corporate risk management system and set up a sustainability promotion team in 2024 to promote related issues.
5. Where scenario analysis is used to evaluate resilience to climate change risk, describe the underlying scenarios, parameters, assumptions, factors, and key financial impacts.	Scenario analysis is a strategic planning tool that is used for developing possible scenarios and evaluating how different scenarios affect an organization. The company currently does not make use of scenario analysis for evaluation.
6. Where transition plans have been made to manage climate risks, explain plan details and the indicators and goals used for the identification and management of physical risks and transition risks.	Transition plans have to be devised based on actual circumstances of a company, which is why detailed risk assessments and strategic planning have to be performed beforehand to minimize the effect of climate change and transition risks.
7. Where internal carbon pricing is used as planning tool, explain the pricing basis.	The company currently does not use carbon pricing as a planning tool.
8. If climate-related goals have been implemented, explain the activities covered, the scope of greenhouse gas emission, any timeline planned, and the progress made each year. Where carbon offset or renewable energy certificate (RECs) is used to accomplish the above goals, explain the source and quantity of carbon credit or the quantity of RECs.	The company has not set climate-related goals. In light of the potential climate change impacts and the need to adopt enhanced sustainability practices, the Company will follow the sustainability roadmap outlined by the Financial Supervisory Commission and aim to complete greenhouse gas survey and validation on time or ahead of schedule.
9. GHG survey and assurance, reduction goals, strategies, and actions.	The Company initiated a greenhouse gas inventory in 2024, which is published in the Sustainability Report.

- (6) Disclosure of compliance with the principles of integrity management and differences and reasons from the best practice guidelines for integrity management of listed and OTC companies.

Evaluation Items	Operational Status			Any Deviation from the Integrity Management Best Practice Principles for TWSE & TPEX Listed Companies and The Reasons For Such Deviation
	Yes	No	Summary and Explanation	
<p>1. Formulating Policies and Plans for Ethical Corporate Management</p> <p>(1) Does the Company establish an integrity policy approved by the board of directors and clearly state the policy and practices of ethical business conduct in its regulations and external documents? Are the board of directors and senior management actively committed to implementing the business policy?</p> <p>(2) Has the Company established a risk assessment mechanism for dishonest behavior, regularly analyzed and evaluated business activities with higher risk of dishonest behavior within its scope of business, and formulated measures to prevent dishonest behavior, covering at least preventive measures for each item in Article 7, Paragraph 2 of the "Code of Conduct for Integrity in Listed and OTC Companies"?</p> <p>(3) Does the Company specify operational procedures, behavioral guidelines, disciplinary actions, and a complaint system within the framework of the preventive measures against unethical behavior? Are these measures implemented and subject to periodic review and amendment?</p>	V		<p>(1) The company has established the "Code of Ethics" and "Code of Conduct and Behavioral Guidelines for Ethical Business Operations." These measures and systems cover the principles of integrity for employees, senior management, and the board of directors, demonstrating a commitment to implementing the business policy.</p> <p>(2) The company's "Code of Conduct and Behavioral Guidelines for Ethical Business Operations" is developed in accordance with the preventive measures outlined in Article 7, Section 2, of the Code of Conduct for Ethical Business Practices for Listed and OTC Companies. It requires relevant units to implement these measures. Additionally, the Company's "Code of Conduct" stipulates:</p> <ul style="list-style-type: none"> i Acting honestly in speech and behavior on a regular basis, refraining from engaging in illegal actions that could harm the Company's reputation. ii Maintaining the confidentiality of the Company's business and technical information, refraining from disclosing it or engaging in any acts of theft regarding confidential information. <p>(3) The company has established the "Code of Ethics" and "Code of Conduct and Operating Procedures for Ethical Business Practices" to regulate the operation of the Company, including procedures, behavioral guidelines, disciplinary measures for violations, and complaint mechanisms. These policies are effectively implemented and enforced. The aforementioned principles and regulations have been announced and actively promoted in board meetings and internal management meetings to strengthen the fundamental spirit of ethical business practices and enhance integrity and self-discipline within the Company.</p>	No significant differences have been identified at this time.

Evaluation Items	Operational Status			Any Deviation from the Integrity Management Best Practice Principles for TWSE & TPEX Listed Companies and The Reasons For Such Deviation
	Yes	No	Summary and Explanation	
<p>2. Implementation of Ethical Corporate Management</p> <p>(1) Does the Company assess the integrity record of its business contacts and specify the terms of good faith conduct in its contracts with its business contacts?</p> <p>(2) Has the Company established a dedicated unit under the Board of Directors to promote corporate integrity and reports regularly (at least once a year) to the Board of Directors on its integrity management policy, measures to prevent dishonest behavior, and the monitoring and implementation status?</p> <p>(3) Has the Company formulated a policy to prevent conflicts of interest, established appropriate channels for reporting, and ensured its implementation?</p> <p>(4) Does the Company have effective accounting and internal control systems in place to implement corporate integrity, and does the internal audit unit develop relevant audit plans based on the assessment of the risk of dishonest behavior, and use them to verify compliance with anti-dishonesty behavior plans, or commission accountants to conduct audits?</p>	V		<p>(1) The company includes relevant preventive and penalty clauses for violations of ethical principles in its commercial contracts. If any business transactions or cooperative partners are found to engage in unethical conduct, the Company should immediately cease business dealings with them and conduct an investigation to uphold its ethical business conduct policy.</p> <p>(2) According to Section 5 of the "Procedures and Guidelines for Ethical Business Operations," the General Manager's Office is designated as a dedicated unit responsible for reporting to the Board of Directors on the implementation of the Company's ethical business policy, measures to prevent unethical behavior, and supervision of its execution on a regular basis (at least once a year). Under the supervision of the Board of Directors, the Company ensures that all operations comply with legal requirements and adhere to ethical business standards.</p> <p>(3) The company has established a system for avoiding conflicts of interest in its "Board Meeting Rules" and "Procedures and Guidelines for Ethical Business Operations." If a director has a personal or corporate interest that may harm the Company's interests regarding an agenda item, they may state their opinion and respond to inquiries but are not allowed to participate in the discussion or vote. They must abstain from the discussion and voting process and are not permitted to exercise voting rights on behalf of other directors.</p> <p>(4) To ensure the implementation of ethical business practices, the Company has established effective accounting and internal control systems. Internal auditors regularly audit the compliance of these systems.</p>	No significant differences have been identified at this time.

Evaluation Items	Operational Status			Any Deviation from the Integrity Management Best Practice Principles for TWSE & TPEX Listed Companies and The Reasons For Such Deviation
	Yes	No	Summary and Explanation	
5.	If the Company has established its own code of conduct based on the "Code of Conduct for Listed and OTC Companies," please describe any differences between its operation and the established code: The company strictly adheres to the Company Act, Securities Exchange Act, Commercial Accounting Act, "Code of Conduct and Operating Procedures for Integrity," and other relevant laws and regulations applicable to listed companies, as the fundamental basis for implementing integrity in its operations. There are no differences between the operation and content of the Company's code of conduct and the established standards.			
6.	Other important information that helps understand the Company's operation in terms of integrity: The company has established various regulations, including the "Shareholders Meeting Rules," "Board Meeting Regulations," "Procedures for Election of Directors and Supervisors," and "Code of Conduct and Operating Procedures for Integrity." For further details, please refer to the Company's website (www.soe-ele.com .) under the "Stakeholders" section and navigate to the "Company's Important Internal Regulations" subsection.			

(7) Other significant information that enhances understanding of the Company's governance practices may also be disclosed.

A. The company's website and important information are announced on the Public Information Observation System according to regulatory requirements.

B. The company's directors' training status for the year 2024:

Title	Name	Date of Education	Organizer	Course Name	Study Hours
Chairman	Jong-Hwa Chin	2024/10/04	Securities and Futures Institute	2024 Insider Trading Prevention Seminar	3
		2024/10/25	Chinese National Association of Industry and Commerce for Corporate Management and Sustainable Development	Workplace Labor Disputes, Resolution Mechanism and Case Sharing	3
Director	Kuo-Feng Chin	2024/10/18	Securities and Futures Institute	2024 Insider Trading Prevention Seminar	3
		2024/12/05	Chinese National Association of Industry and Commerce for Corporate Management and Sustainable Development	How to Effectively Reduce Network Security Risks in Enterprise Production Operations	3
Director	Juei-Chen Chang	2024/03/22	Chinese National Association of Industry and Commerce for Corporate Management and Sustainable Development	Corporate Governance 3.0, Capital Market Roadmap, and Green Finance	3
		2024/04/17	Chinese National Association of Industry and Commerce for Corporate Management and Sustainable Development	Corporate Sustainability and Net-Zero Strategies in an Era of Climate Change	3
Director	Chin-Chung Lu	2024/08/12	Clevo Co.	Observations on Current Political and Economic Situation and Capital Flows in an Era of Volatility and Prosperity	2

Title	Name	Date of Education	Organizer	Course Name	Study Hours
		2024/11/08	Chinese Corporate Governance Association (CCGA)	Current Global Economic and Financial Situation	4
Director	Pei-Cheng Yeh	2024/05/14	Foundation for the Development of Accounting Research and Development, Republic of China	How the Board of Directors Ensures Corporate Sustainability - Starting with Talent Identification and Cultivation	3
		2024/08/14	Foundation for the Development of Accounting Research and Development, Republic of China	How the Board of Directors Supervises the Company in Corporate Risk Management and Crisis Management	3
Director	TOMOYUKI YAMADA	2024/10/04	Securities and Futures Institute	2024 Insider Trading Prevention Seminar	3
		2024/10/25	Chinese National Association of Industry and Commerce for Corporate Management and Sustainable Development	Workplace Labor Disputes, Resolution Mechanism and Case Sharing	3
Independent Director	Wen-Rong Cheng	2024/06/18	CPA Associations R.O.C. (Taiwan)	International Trends and Practices in Money Laundering Prevention and Control	3
		2024/07/19	CPA Associations R.O.C. (Taiwan)	Basics 2. Understanding Carbon Trading Mechanism	3
		2024/09/19	CPA Associations R.O.C. (Taiwan)	Audits of Financial Assets	3
Independent Director	Sheng-Kung Tai	2024/11/07	Chinese National Association of Industry and Commerce for Corporate Management and Sustainable Development	Gender Equality and Sustainability in Corporate Governance	3
		2024/12/05	Chinese National Association of Industry and Commerce for Corporate Management and Sustainable Development	How to Effectively Reduce Network Security Risks in Enterprise Production Operations	3
Independent Director	Kuo-Fei Li	2024/03/22	Chinese National Association of Industry and Commerce for Corporate Management and Sustainable Development	Corporate Governance 3.0, Capital Market Roadmap, and Green Finance	3
		2024/07/17	The Institute of Internal Auditors, R.O.C.	Requirements and Practical Analysis of Loans, Endorsements and Guarantees, and Acquisition and Disposal of Assets	6
		2024/08/20	Chinese National Association of Industry and Commerce for Corporate Management and Sustainable Development	A Company's Weaknesses or Operational Crisis from Financial Statements	3

(8) Disclosure of the Implementation Status of Internal Control System

A. Declaration of Internal Control

Shun On Electronic Co., Ltd.

Internal Control System Statement

Date: March 11, 2025

Statement on the Internal Control System for the fiscal year 2024:

1. It is the responsibility of the Board of Directors and Managers of the Company to establish, implement and maintain the internal control system, which the Company has established. The purpose of the system is to achieve the goals of effectiveness and efficiency in operations (including profitability, performance, and safeguarding of assets), reliable reporting with timeliness, transparency, and compliance with relevant regulations and laws, providing reasonable assurance.
2. The internal control system has its inherent limitation, no matter how perfect the design is, the effective internal control system can only provide reasonable assurance for the above three objectives; moreover, the effectiveness of the internal control system may change with the change of environment and situation. However, the internal control system of the Company is provided with a self-monitoring mechanism, and the Company will take corrective actions once the absence is identified.
3. The Company shall judge whether the design and implementation of the internal control system are effective or not according to the judgment items of the effectiveness of the internal control system stipulated in the "Guidelines for the Establishment of Internal Control System by Public Owned Corporations" (hereinafter referred to as "Handling Guidelines"). The internal control system assessment criteria used in the "Handling Guidelines" are based on dividing the internal control system into five organizational elements according to the process of management control: 1. Control Environment 2. Risk Assessment 3. Control Activities 4. Information and Communication 5. Monitoring Activities. Each component includes a number of items. For the foregoing items, please refer to the provisions of "Handling Guidelines."
4. The Company has adopted the above internal control system assessment criteria to evaluate the effectiveness of the design and implementation of the internal control system.
5. Based on the assessment results, the Company believes that its internal control system, including the supervision and management of subsidiaries, as of December 31, 2024, is designed and implemented effectively. The system allows the Company to understand the effectiveness and efficiency of operations, ensures reliable and timely reporting, and complies with relevant regulations and laws. It is designed to achieve operational goals and objectives in a transparent manner and in accordance with applicable norms and regulations. The company is confident that the internal control system provides reasonable assurance of achieving the mentioned objectives.
6. This statement will become a major part of the Company's annual report and public disclosure. If any of the contents disclosed above is found to be false, with concealment or other illegal matters, 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 Board of Directors on March 11, 2025. Among the nine attending directors, there was no dissenting opinion, and all of whom agreed to the content of this statement.

Shun On Electronic Co., Ltd.

Chairman: Jong-Hwa Chin [Signature]

Manager: Shih-Chang Chen [Signature]

- B. When the internal control system is subject to special review by a certified public accountant, the review report of the accountant should be disclosed. Not applicable.

(9) Important resolutions made by the shareholders' meeting and the board of directors in the most recent fiscal year and up to the date of the annual report printing.

A. The resolutions and implementation status of the shareholders' general meeting held on June 26, 2024, are as follows:

Resolution item	Implementation Status
The business report and financial statements for the year 2023.	The motion to approve the business report and financial statements for the year 2023 has been passed.
Approval of the 2023 loss appropriation.	The motion to approve the appropriation of losses for the year 2023 has been passed.
Amendment proposal for the "Articles of Incorporation"	Voted and passed partial amendments to the Company's "Articles of Incorporation."
Amendment to the "Procedures for Fund Lending and Endorsement Guarantee" of the Company.	Voted and passed partial amendments to the Company's "Procedures for Fund Lending and Endorsement Guarantee."

B. Significant resolutions of the Board of Directors from January 1, 2024, to March 31, 2025, are as follows:

Session	Date of Meeting	Significant Resolutions
5th Session of the 10th Term	2024/03/15	<ol style="list-style-type: none"> 1.Proposal of the 2023 Annual Business Report and Financial Statements of the Company. 2.Proposal of the 2023 Profit and Loss Appropriation of the Company. 3.Proposal for convening the 2024 Annual Shareholders' Meeting 4.Amendment to the "Procedures for Fund Lending and Endorsement Guarantee" of the Company. 5.Proposal to establish general principles for the Company's policy on pre-approval of non-assurance services 6.Proposal to have Jiaxing Shunon Electronic Technology Co., Ltd. repatriate cumulative earnings back to parent company - Rich Easy Investments Limited.
6th Session of the 10th Term	2024/05/09	<ol style="list-style-type: none"> 1.Amendment for the Company's "Articles of Incorporation" 2.Amendment for the Annual Shareholders' Meeting Agenda of 2024 and other relevant matters. 3.Appointment of "Mr. Kuan-Neng Chen" as the General Manager of the Subsidiary Jiaxing Shun Min Electronic Co., Ltd. 4.Lifting of the non-competition restrictions on manager Kuan-Neng Chen.

Session	Date of Meeting	Significant Resolutions
7th Session of the 10th Term	2024/07/05	1.Disposal of assets by the Company - Hsinchu land case
8th Session of the 10th Term	2024/08/13	1.Reassignment of legal representative of Jiaxing Shun Min Electronic Co., Ltd., a re-investee of the Company
9th Session of the 10th Term	2024/09/10	1.Purchase of equity interest in Jiaxing Learoad Special Vehicle Co., Ltd. through the subsidiary Soe Investments Ltd. 2.The Company's acquisition of right-to-use assets from related parties 3.Change of the external auditors
10th Session of the 10th Term	2024/11/11	1.Amendments to the Company's "Measures Governing Contract Review Management"
11th Session of the 10th Term	2024/12/20	1.Annual Budget for the Fiscal Year 2025 2.Addition of the Company's "Sustainability Information Management Operations" 3.Appointment of "Ms. Kae-Ru Chiang" as internal manager
12th Session of the 10th Term	2025/03/11	1.Proposal of the 2024 Annual Business Report and Financial Statements of the Company. 2.Proposal of the 2024 Profit and Loss Appropriation of the Company. 3.Proposal for convening the 2025 Annual Shareholders' Meeting 4.Proposal for approval of the election of two additional directors 5.In response to the internal management needs, a total of 11 items of the electronic computer cycle and related management measures have been amended and updated 6.Lifting of the non-competition restrictions on manager Shih-Chang Chen

- (10) In the most recent year and up to the date of publication of the annual report, the Directors have different opinions on the important resolutions adopted by the Board of Directors which have been recorded or as written statements: no such situation.

4. Accountant's public expense information

(1) Disclosure of Auditor's Remuneration

Monetary Unit: NT\$1,000

Name of the Accounting Firm	Accountant Name	Audit Period	Audit Fees	Non-audit Fees	Total	Remarks
Deloitte Taiwan	You-Ling Cai	2024/1/1 - 2024/9/10	1,200	-	1,200	Note
	Wen-Chin Lin	2024/1/1 - 2024/9/10				
Auditor at PwC Taiwan	Yung-Chih Lin	2024/9/10 - 2024/12/31	1,790	310	2,100	Note
	Fu-Ming Liao	2024/9/10 - 2024/12/31				

Note: Non-audit fees include transfer pricing reports and tax consulting advisory services.

- (2) If there is a change in the auditing firm and the audit fees for the current year are lower than the audit fees for the previous year, the decrease in audit fees, the percentage decrease, and the reasons for the decrease should be disclosed:

Not applicable

- (3) If there is a change in the auditing firm and the audit fees for the current year are decreased by more than 15% compared to the audit fees for the previous year, the decrease in audit fees, the percentage decrease, and the reasons for the decrease should be disclosed: Not applicable.

5. Disclosures pertaining to the change of CPA in the last two years and after: The Company released a material information announcement on September 10, 2024 to change the accounting firm and certified public accountants due to the Company's business and management needs.
6. The chairman, general manager, or manager responsible for finance or accounting of the company, who has served in the accounting firm or its affiliated enterprises within the past year, shall disclose their names, titles, and the period of employment in the accounting firm or its affiliated enterprises: Not applicable.
7. Recent changes in share transfers and pledge of shares involving directors, executives, and shareholders holding more than 10% of the shares, up to the date of printing of the annual report. If the transferee or pledgee of the equity is a related party, the name of the related party, the relationship with the Company, directors, managers, and shareholders holding more than 10% of the shares, and the number of shares acquired or pledged shall be disclosed.

(1) Changes in share ownership by directors, executives, and major shareholders.

Title	Name	2024		2025 up Until April 29	
		Increase (Decrease) in the Number of Shares Held	Increase (Decrease) in the Number of Shares Pledged	Increase (Decrease) in the Number of Shares Held	Increase (Decrease) in the Number of Shares Pledged
Chairman	Jong-Hwa Chin	-	-	-	-
Director	Chicony Electronics Co., Ltd.	-	-	-	-
	Representative: Chin-Chung Lu	-	-	-	-
Director	CTBC Bank acts as the custodian for the Lung Hung Limited investment portfolio.	-	-	-	-
	Representative: Kuo-Feng Chin	-	-	-	-
Director and shareholder holding more than 10% of the shares.	Min Tai International Co., Ltd.	-	-	-	-
	Representative TOMOYUKI YAMADA	-	-	-	-
Director and shareholder holding more than 10% of the shares.	Min Tai International Co., Ltd.	-	-	-	-
	Representative: Juei-Chen Chang	-	-	-	-
Director	Zhijia Investment Co., Ltd.	-	-	-	-
	Representative: Pei-Cheng Yeh	-	-	-	-
Independent Director	Wen-Rong Cheng	-	-	-	-
Independent Director	Sheng-Kung Tai	-	-	-	-
Independent Director	Kuo-Fei Li	-	-	-	-
General Manager	Shih-Chang Chen	-	-	-	-
Vice General Manager	Juei-Chen Chang	-	-	-	-
Chief Financial Officer and Head of Corporate Governance	Kae-Ru Chiang	-	-	-	-
Chief Financial Officer and Head of Corporate Governance	Yi-Hui Yeh (Note)	(3,000)	-	-	-
Department Head	I-Ying Chen (Note)	-	-	-	-

Note: Yi-Hui Yeh, Chief Financial Officer and Director of Corporate Governance, departed on December 20, 2024. I-Ying Chen, Head of Human Resources, departed on March 31, 2025.

(2) Information on Share Transfers. Related Parties Involved in Share Transfers: None.

(3) Information on Share Pledges. Related Parties Involved in Share Pledges: None.

8. Information regarding shareholders among the top ten with relationships or being spouses or relatives within the second degree of kinship:

April 29, 2025

Name	Shares Held		Shares Held By Spouses And Minor Children		Total Shares Held In The Name Of Other Persons		In Accordance With Financial Accounting Standards Board Statement No. 6, The Following Are The Names Or Identities And Relationships Of The Top Ten Shareholders Who Have Relationships As Defined By The Standard Or Are Spouses Or Relatives Within The Second Degree Of Kinship		Remarks
	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Name	Relationship	
Min Tai International Co., Ltd.	26,251,691	17.75%	-	-	-	-	-	-	-
Representative: Ching-Lien Wei	-	-	-	-	-	-	-	-	-
Zhijia Investment Co., Ltd.	13,953,000	9.43%	-	-	-	-	-	-	-
Representative: Pei-Cheng Yeh	-	-	-	-	-	-	-	-	-
Cathay United Bank is entrusted with the custody of the investment portfolio of Jing Development Co., Ltd.	13,125,000	8.87%	-	-	-	-	-	-	-
CTBC Bank acts as the custodian for the Lung Hung Limited investment portfolio.	12,600,000	8.52%	-	-	-	-	-	-	-
Chicony Electronics Co., Ltd.	10,752,254	7.27%	-	-	-	-	-	-	-
Representative: Hsu, Kun-Tai	-	-	-	-	-	-	-	-	-
Kun-Xiong Lin	1,970,000	1.33%	-	-	-	-	-	-	-
Kao-Huang Lin	1,654,000	1.12%	-	-	-	-	-	-	-
Treasury Stock Account of Shun On Electronic Co., Ltd.	1,400,000	0.95%	-	-	-	-	-	-	-
Citi (Custodian) – Barclays Capital SBL/PB Investment Account	1,059,500	0.72%	-	-	-	-	-	-	-
Chen, Chin-Tai	833,000	0.56%	-	-	-	-	-	-	-

Note 1: All top ten shareholders, including corporates shareholders, should be listed, with the names of the corporate shareholders and their representatives listed separately.

Note 2: The calculation of shareholding percentage should include shares held under one's own name, as well as those held under the name of one's spouse, minor children, or held by others on one's behalf.

Note 3: The disclosure of relationships between the shareholders listed above, including both corporate and natural persons, should be made in accordance with the disclosure requirements of the financial reporting standards for issuers.

9. The company, its directors, managers, and businesses directly or indirectly controlled by the Company do not hold shares in the same invested enterprise, and therefore, there is no consolidated shareholding percentage to be calculated: Not applicable.

III. Funding Status

1. Capital and Shares

(1) Source of Share Capital

Unit: NT\$1,000/Share

Year/Month	Issue Price	Authorized Capital		Paid-In Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of Share Capital	Equity-Settled Share-Based Payment	Others
1996.02	NT\$10	500	5,000	500	5,000	The company establishes the original investment	None	—
2000.05	NT\$10	6,000	60,000	6,000	60,000	Cash capital increase 55,000	None	—
2000.08	NT\$10	12,000	120,000	12,000	120,000	Cash capital increase 60,000	None	—
2001.05	NT\$10	25,000	250,000	16,000	160,000	Cash capital increase 40,000	None	—
2001.07	NT\$10	25,000	250,000	18,000	180,000	Cash capital increase 20,000	None	—
2001.12	NT\$10	25,000	250,000	19,500	195,000	Cash capital increase 15,000	None	—
2002.03	NT\$10	33,000	330,000	27,985	279,850	Cash Increase: 50,000 Increase of Capital from Retained Earnings: 34,850	None	2002.03.27 (91) Taipei Financial and Securities Bureau Letter No. 112108
2003.07	NT\$10	55,000	550,000	33,300	333,000	Increase in capital through surplus: 53,150	None	2003.07.03 (92) Taipei Financial and Securities Bureau Letter No. 0920129707
2004.07	NT\$10	55,000	550,000	39,600	396,000	Increase in capital through surplus: 63,000	None	2004.06.10 (93) Taipei Financial and Securities Bureau Letter No. 0930125952
2005.03	NT\$10	55,000	550,000	43,022	430,216	Convertible corporate bonds	None	2005.04.18 Approval Number: 09431974470
2005.06	NT\$10	49,020	490,200	43,781	437,810	Convertible corporate bonds	None	2005.08.12 Approval Number: 09432620730
2005.06	NT\$10	72,619	726,190	49,681	496,810	Increase in capital through surplus: 59,000	None	2005.09.15 Approval Number:09432758630
2006.09	NT\$10	72,619	726,190	55,230	552,300	Increase in capital through surplus: 55,489	None	2006.09.12 Approval Number:09501206440
2006.12	NT\$10	100,000	1,000,000	68,389	683,891	Cash capital increase 111,111 Conversion of Employee Stock Options: 20,480 shares	None	2006.12.28 Approval Number: 09501290340
2007.05	NT\$10	100,000	1,000,000	68,939	689,391	Convertible corporate bonds	None	2007.05.07 Approval Number: 09601096210

Year/Month	Issue Price	Authorized Capital		Paid-In Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of Share Capital	Equity-Settled Share-Based Payment	Others
2007.10	NT\$10	100,000	1,000,000	75,613	756,130	Retained Earnings Conversion: 63,739 shares Conversion of Corporate Bonds: 500 shares Conversion of Employee Stock Options: 2,500 shares	None	2007.10.26 Approval Number: 09601265080
2008.09	NT\$10	100,000	1,000,000	88,601	886,005	Increase in capital through surplus: 129,874	None	2008.09.01 Approval Number: 09701223240
98.08	NT\$10	100,000	1,000,000	92,881	928,805	Increase in capital through surplus: 42,800	None	2009.08.10 Approval Number: 09801176710
2010.05	NT\$10	150,000	1,500,000	107,881	1,078,805	Cash capital increase 150,000	None	2010.05.18 Approval Number: 09901100490
2010.09	NT\$10	(541)	(5,410)	107,340	1,073,395	Cancellation of Treasury Shares for Capital Reduction: 5,410 shares	None	2010.09.10 Approval Number: 09901200990
2011.08	NT\$10	(1,459)	(14,590)	105,881	1,058,805	Cancellation of Treasury Shares for Capital Reduction: 1,459 shares	None	2011.09.08 Approval Number: 10001210000
2012.02	NT\$10	(1,000)	(10,000)	104,881	1,048,805	Cancellation of Treasury Shares for Capital Reduction: 1,000 shares	None	2012.03.03 Approval Number: 10101035710
2013.04	NT\$10	20,000	200,000	124,881	1,248,805	Cash capital increase 200,000	None	2013.04.19 Approval Number: 10201072230
2014.04	NT\$10	20,000	200,000	144,881	1,448,805	Cash capital increase 200,000	None	2014.04.28 Approval Number: 10301075550
2015.03	NT\$10	(2,500)	(25,000)	142,381	1,423,805	Cancellation of Treasury Shares for Capital Reduction: 2,500 shares	None	2015.03.18 Approval Number: 10401046600
2016.07	NT\$10	(64,838)	(648,375)	77,543	775,430	Reduction of Capital to Offset Losses: 648,375	None	2016.09.01 Approval Number: 10501212210
2016.11	NT\$10	50,000	500,000	127,543	1,275,430	Cash capital increase 500,000	None	2016.12.23 Approval Number: 10501297590
2017.09	NT\$10	200,000	2,000,000	133,920	1,339,201	Conversion of Retained Earnings to Increase Capital: NT\$63,771 thousand.	None	2017.07.21 Approval Number: 10601104670
2018.08	NT\$10	200,000	2,000,000	147,873	1,478,731	Cash capital increase 139,530	None	2018.08.02 Approval Number: 10701096810
2018.10	NT\$10	200,000	2,000,000	148,103	1,481,031	Restriction on Employee Rights: 230,000 thousand shares	None	2018.10.25 Approval Number: 10701129220
2019.04	NT\$10	200,000	2,000,000	148,113	1,481,131	Restriction on Employee Rights: 55,000 thousand shares Buyback of 45,000 shares	None	2019.04.17 Approval Number: 10801040510

Year/Month	Issue Price	Authorized Capital		Paid-In Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of Share Capital	Equity-Settled Share-Based Payment	Others
2019.08	NT\$10	400,000	4,000,000	148,098	1,480,981	Restriction on Employee Rights - Buyback of 15,000 shares	None	2019.08.28 Approval Number: 10801115110
2019.12	NT\$10	400,000	4,000,000	148,079	1,480,791	Restriction on Employee Rights - Buyback of 19,000 shares	None	2019.12.24 Approval Number: 10801183530
2020.06	NT\$10	400,000	4,000,000	148,063	1,480,631	Restriction on Employee Rights - Buyback of 16,000 shares	None	2020.06.15 Approval Number: 10901093840
2020.08	NT\$10	400,000	4,000,000	148,019	1,480,196	Restriction on Employee Rights - Buyback of 43,500 shares	None	2020.08.06 Approval Number: 10901117580
2020.09	NT\$10	400,000	4,000,000	147,999	1,479,998	Restriction on Employee Rights - Buyback of 19,800 shares	None	2020.09.23 Approval Number: 10901179450
2021.04	NT\$10	400,000	4,000,000	147,949	1,479,498	Restriction on Employee Rights - Buyback of 50,000 shares	None	2021.04.15 Approval Number: 11001062190
2021.05	NT\$10	400,000	4,000,000	147,907	1,479,073	Restriction on Employee Rights - Buyback of 42,500 shares	None	2021.05.19 Approval Number: 11001089140
2021.08	NT\$10	400,000	4,000,000	147,906	1,479,063	Restriction on Employee Rights - Buyback of 1,000 shares	None	2021.08.17 Approval Number: 11001148420

April 29, 2025 Unit: shares

Type of Shares	Authorized Capital			Remarks
	Outstanding shares in circulation.	Unissued Shares	Total	
Common Share	Public listed 81,453,343 Private placement 66,453,000	252,093,657	400,000,000	—

Summary Reporting System Information: None

- (2) Major Shareholders: Shareholders with a shareholding percentage of 5% or more, or shareholders ranked among the top ten in terms of shareholding percentage.

April 29, 2025 Unit: shares

Major Shareholder Name	Number of Shares Held	Shareholding Ratio
Min Tai International Co., Ltd.	26,251,691	17.75%
Zhijia Investment Co., Ltd.	13,953,000	9.43%
Cathay United Bank is entrusted with the custody of the investment portfolio of Jing Development Co., Ltd.	13,125,000	8.87%
CTBC Bank acts as the custodian for the Lung Hung Limited investment portfolio.	12,600,000	8.52%
Chicony Electronics Co., Ltd.	10,752,254	7.27%
Kun-Xiong Lin	1,970,000	1.33%
Kao-Huang Lin	1,654,000	1.12%
Treasury Stock Account of Shun On Electronic Co., Ltd.	1,400,000	0.95%
Citi (Custodian) – Barclays Capital SBL/PB Investment Account	1,059,500	0.72%
Chen, Chin-Tai	833,000	0.56%

- (3) Company Dividend Policy and Implementation

A. Dividend policy:

According to the Company's Articles of Incorporation:

In the annual financial statements, if there is a profit, it should be used to pay taxes, offset accumulated losses, set aside 10% as legal reserve, and can also be allocated or reversed to special reserve according to operational needs or legal requirements. After considering the business situation and balancing the dividend policy, the remaining earnings, along with the accumulated undistributed earnings from previous years, are proposed by the board of directors for distribution, subject to the resolution of the shareholders' meeting. If the Company distributes dividends or capital surplus from retained earnings or statutory reserves, and if it is in the form of cash, it can be authorized by the board of directors with the approval of two-thirds or more of the attending directors and the majority of the attending directors, and reported to the shareholders' meeting.

The company is in the stage of operational growth. Under the goal of maintaining a sound financial structure, the dividend policy focuses primarily on issuing stock dividends. Cash dividends may be distributed after considering the funds required for the Company's operations, but the cash dividends shall not exceed 80% of the distributable earnings for the year.

B. Proposed dividend distribution for this shareholders' meeting:

For the fiscal year 2024, the net profit for the period amounted to NT\$112,665,282. As of the end of the year, there is an accumulated deficit of NT\$200,204,851. Therefore, no dividend distribution will be made.

- (4) The proposed issuance of bonus shares at the current shareholders' meeting and its impact on the Company's business performance and earnings per share:

Not applicable

(5) Employee and director compensation

A. Percentage or range of employee and director compensation as stated in the Company's articles of association:

According to Article 19 of our company's bylaws, if the Company generates profits in a fiscal year, 10% to 15% shall be allocated for employee remuneration. The distribution can be made in the form of stock or cash at the discretion of the board of directors. The recipients of such distribution include eligible employees of the Company, its domestic and foreign subsidiaries, subject to certain conditions determined by the authorized board of directors. Additionally, the board of directors may allocate up to 5% of the aforementioned profit amount as remuneration for directors, and reports on the distribution of employee and director remuneration shall be submitted to the shareholders' meeting. However, in the case of accumulated losses, an amount shall be reserved in advance for offsetting purposes.

The remuneration for employees is determined based on our company's "Employee Performance Evaluation and Management Measures," the salary levels in the industry market for the respective positions, the responsibilities within the Company, and the contributions to the Company's operational objectives. The procedure for determining the remuneration for directors incorporates the results of our company's "Board Performance Evaluation Measures" and follows considerations of the overall operational performance of the Company, future business risks and trends in the industry, as well as individual performance and contributions of the directors. Reasonable compensation is provided based on these factors. The related performance assessments and the reasonableness of compensation are reviewed by the Remuneration Committee and the Board of Directors. We regularly assess the actual business situation and review it in accordance with relevant laws and regulations to achieve the balanced and sustainable development of the Company.

B. The basis for estimating the amount of remuneration for employees and directors for the current period, the calculation basis for stock-based employee remuneration, and the accounting treatment in case of any difference between the actual distribution amount and the estimated amount are as follows:

If there are significant changes in the distribution amount approved by the Board of Directors prior to the issuance of the annual financial report, the adjustments are made to the originally recorded annual expenses. Subsequently, if there is a difference between the actual distribution amount and the estimated amount, it is treated as an accounting estimate change and recorded as current income or expense.

C. Details of the compensation distribution approved by the Board of Directors:

(1) The amounts of employee compensation and director remuneration distributed in cash or in stock:

Despite a net profit in the year 2024, cash-based employee remuneration and director remuneration in cash will not be distributed due to the need to offset losses.

- (2) The amount of employee remuneration distributed in the form of stock and the proportion it represents to the current period's individual or separate financial report's net profit after tax and the total amount of employee remuneration: Not applicable.

- D. Actual distribution of employee and director remuneration in the previous year:
Due to a net loss in the year 2023, cash-based employee remuneration and director remuneration in cash will not be distributed.

- (6) Share buyback situation: None.

2. Details of the corporate bonds issued:

April 29, 2025

Type of Corporate Bonds		Second Domestic Issuance of Secured Convertible Bonds
Issuance date		November 22, 2021
Face value		NT\$100,000
Issue Price		Issued at 110.78% of the face value
Total amount		NT\$ 300 million
Interest Rate		The coupon rate is 0%
Maturity and due date		3 years / November 22, 2024
Guarantor		CTBC Bank
Trustee		KGI Commercial Bank Ltd.
Underwriting institution		CTBC Securities Co., Ltd
Legal counsel:		Han Chen Law Firm, Attorney Chiu Ya-Wen CPA
CPA		Deloitte Taiwan CPA Lin, Wen-Chin and CPA Li, Chen-Ming
Method of repayment:		Except for conversion into the Company's common stock or early redemption by bondholders, redemption by the Company, or repurchase and cancellation by securities dealers from their business premises, the bonds will be fully repaid in cash at maturity according to the face value of the bonds.
Unredeemed principal.		NT\$165,300 thousand
Terms for redemption or early repayment.		Please refer to the details of the issuance and conversion procedures for the current convertible bonds.
Restrictive clauses		Please refer to the details of the issuance and conversion procedures for the current convertible bonds.
Credit rating agency name, rating date and result of the bond rating		Not applicable
Additional Other Rights	Amount of converted (exchange or subscription) common shares, overseas depositary receipts, or other securities up until the publication date of the annual report	As of April 29, 2025, there has been zero conversion of common stock.
	Issuance and conversion procedures	In accordance with the "Domestic Second Secured Convertible Corporate Bonds Issuance and Conversion Procedures" established by the Company.
Details of issuance, conversion, exchange, or subscription procedures, issuance conditions regarding potential dilution of equity, and the impact on existing shareholders' equity.		None
Name of custodian institution		None

3. Preferred shares implementation status: Not applicable.
4. Overseas depositary receipts implementation status: Not applicable.
5. Employee stock option certificate implementation status:
 - (1) The status and impact on shareholders' equity of employee stock option warrants that have not reached maturity should be disclosed as of the date of the annual report: Not applicable.
 - (2) As of the date of the public disclosure statement, information regarding managers and employees who have acquired employee stock option warrants, the number of shares that can be subscribed, and the names of the top ten employees with subscription amounts exceeding NT\$30 million should be disclosed: Not applicable.
6. Restriction on the exercise of employee rights for new shares: None
7. Acquisition through mergers or transfers and issuance of new shares: None.
8. Execution status of capital utilization plan: The previous issuance or private placement of securities plans by the Company have been completed, and there have been no instances in the past three years where the planned benefits were not realized.

IV. Operation Overview

1. Business Contents

(1) Business Contents

A. Key aspects of the Company's business operations:

- F401021 Importation of telecommunications regulatory radio frequency equipment
- ZZ99999 Business activities not prohibited or restricted by law, in addition to licensed businesses
- I301010 Information software services industry
- I301020 Data processing services industry
- I301030 Electronic information supply services industry
- I501010 Product design industry
- F113050 Wholesale of computer and office equipment
- F113070 Wholesale of telecommunications equipment
- F114010 Wholesale of automobiles
- F114020 Wholesale of motorcycles
- F114030 Wholesale of automobile and motorcycle parts and accessories
- F119010 Wholesale of electronic materials
- F214010 Retail sale of automobiles
- F214030 Retail sale of automobile and motorcycle parts and accessories
- F401010 International trade industry
- CC01080 Manufacturing of electronic components
- CC01110 Manufacturing of computers and peripheral equipment
- CD01030 Manufacturing of automobiles and their parts
- CE01030 Manufacturing of optical instruments
- JA01990 Other automotive services industry
- CC01990 Other electrical and electronic machinery and equipment manufacturing
- C805050 Manufacturing of industrial plastic products
- CB01010 Manufacturing of machinery equipment
- F106030 Wholesale of molds
- F113010 Wholesale of machinery
- F206030 Retail sale of molds
- F114080 Wholesale of rail vehicles and their parts
- CQ01010 Mold manufacturing
- F213080 Retail sale of machinery and equipment

B. Business Segments

Unit: NT\$1,000; %

Main Products	2023		2024	
	Sales Amount	Business Segments	Sales Amount	Business Segments
Smart Products	1,288,950	100%	1,614,880	100%

C. Current Product (Service) Categories of the Company

- a. Conductive Film Business Group
 - i. Computer Keyboard Conductive Films
 - ii. Other Various Film Key-related Products
- b. Automotive Electronics Business Group
 - i. HD Digital Camera Modules
 - ii. 3D AVM Panoramic Imaging System
 - iii. DMS Driver Behavioral Status Monitoring System / OMS Occupant Status Monitoring System
 - iv. Electronic Control Unit (ECU) and Special Vehicle Intelligent Cockpit Advanced System
- c. Special Vehicles Business Group
 - i. Golf Carts
 - ii. Passenger Transport Vehicles (PTV)
 - iii. Sightseeing Vehicles
 - iv. Tool Vehicles
 - v. Special Vehicle Accessories

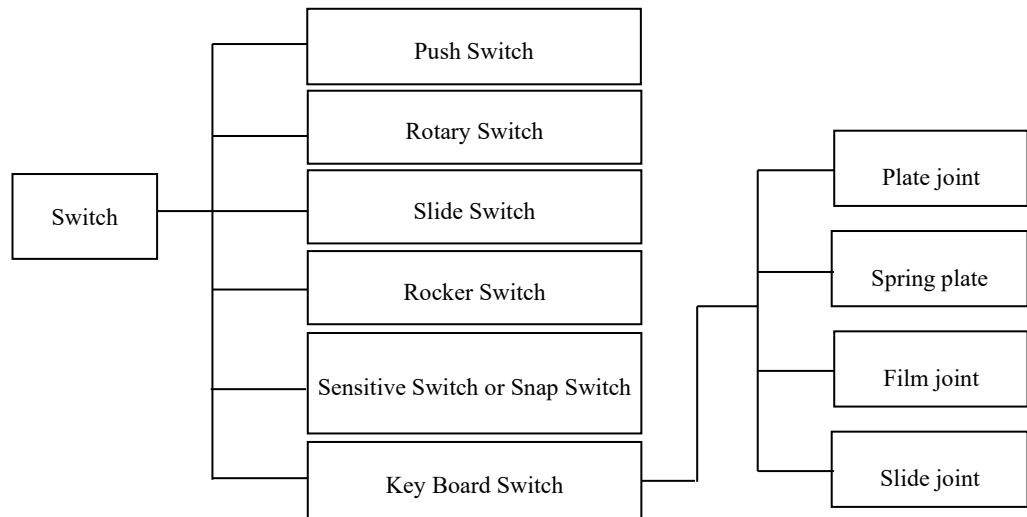
(2) Industry Overview

A. Conductive Film Business Group

a. Current Situation

The company is a specialized manufacturer in the "conductive film" industry, with its products widely used in information products such as computers and communications. It primarily supplies various basic components of computer keyboards to major domestic and international information and communication OEM/ODM manufacturers.

According to the classification and definition provided by ITIS (Institute for Information Industry), our main products are categorized as "keyboard switches" among electronic components. Switches, also known as keys or buttons, are classified as mechanical components. They can be further categorized into two types based on their applications: those used for low-current circuit conversion and those used for power circuit conversion. (Refer to the diagram below for details)



With the booming development of downstream industries, the pace of product innovation is accelerating, and there is a trend towards lightness, thinness, shortness, and smallness. In order to meet the demands of high-end information and communication products, the upstream conductive film industry needs to continuously develop new products, enhance product functionality, quality, and refinement, which in turn drives material and processing technologies to constantly innovate. Currently, the domestic conductive film industry is mainly composed of small and medium-sized enterprises. Since the products are not directly sold as final consumer goods, industry players primarily rely on OEM orders from computer keyboard manufacturers. The competitiveness of product quality and cost is the key survival tool for industry players, as their end customers are domestic and international computer giants. In the future, in response to the polarization of information products towards high- quality, high-price, small quantity, and suitable quality, low price, large quantity, manufacturers need to simultaneously possess the capabilities of diversification, small quantity, refinement, as well as stable quality and large-scale production to reduce costs. These capabilities become the core competitiveness of companies in this industry in the fiercely competitive market. Therefore, manufacturing capability and marketing ability are the core competencies of industry players.

In recent years, the rising labor costs in coastal areas of mainland China have increased cost pressures. However, the global industry as a whole has maintained stable development without significant fluctuations. Asia, the Americas, and Europe are the three major production regions and supply-demand markets for switches worldwide. Among them, Asia is the largest production base.

In Taiwan, the main application market for switches in the past decade has been the information and communication industry. Regarding the evolution of keyboard switches, early keyboards used mechanical switches. However, with technological advancements and cost considerations, currently up to 95% of keyboards have switched to more cost-effective membrane switches. In recent years, with the relocation of domestic information-related industries such as keyboards, mice, monitors, DVDs, CD-ROMs, modems, power supplies, motherboards, and interface card assembly to mainland China, coupled with the fact that the switch industry is labor-intensive and requires a large amount of manual labor, it is very common for the industry to move production to mainland China, further increasing China's demand for switch industry products. In the notebook computer keyboard market, touch panels complement keyboards, but the rise of tablet computers has also had a certain impact on the overall development of the notebook computer industry. In response to industry changes, our company actively seeks comprehensive development directions.

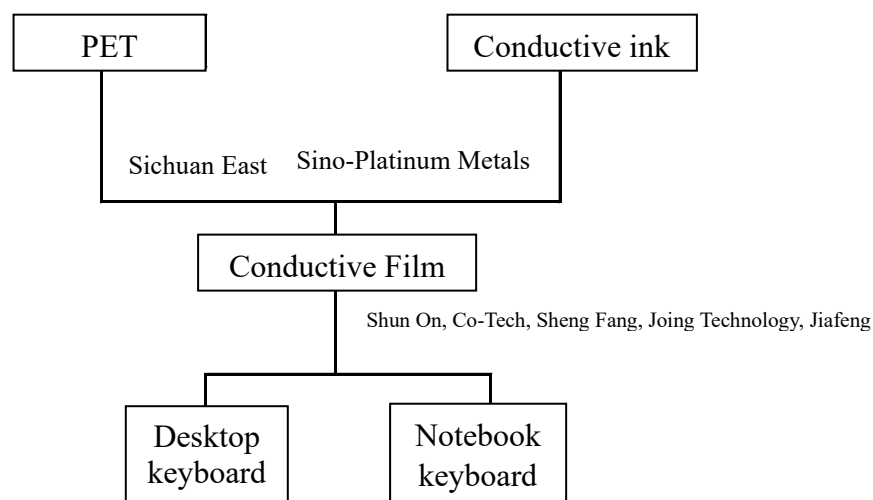
b. Development

Mainland China has become the largest export and production base for labor-intensive industries worldwide. Manufacturers in the industry are able to supply downstream information assembly customers quickly and efficiently, meeting the considerations of cost reduction. Many Taiwanese companies in the related switch industry have invested in Mainland China, primarily in the southern regions of Dongguan and Huizhou, as well as the eastern regions of Jiangsu and Zhejiang. This proximity enables convenient supply chain operations to naturally form.

c. Interrelationship among industry upstream, midstream, and downstream

Our company is a professional manufacturer in the field of "conductive film for computer keyboards." The upstream sector includes domestic and foreign material manufacturers, while the downstream sector consists of applications in industries such as information and communication. By leveraging the specialized division of labor among the upstream, midstream, and downstream players, the development of this industry can be effectively enhanced. The following table illustrates the interrelationship among the upstream, midstream, and downstream sectors in the "conductive film for computer keyboards" industry:

i. Interrelationship table among the upstream, midstream, and downstream sectors of conductive film for computer keyboards.



d. Trends and Competition

i. Product Development Trends

Our company's products are mainly used as components in consumer electronics. With the continuous trend of lightweight, compact, diversified appearance, multimedia applications, emphasis on personalization, and visually appealing decorations in notebook computers, the added value of computer conductive films will increase and receive more attention.

ii. Market Competition in the Industry

Our company produces conductive films for NB (notebook) keyboards, and our main competitors are Co-Tech, Chuan Yi, Sheng Fang, Joing Technology and Jiafeng. The products offered by these competitors have little differentiation. To cope with competition in the industry, our company continuously improves efficiency, yield, and cost reduction through process optimization and production line automation, aiming to achieve better operational performance.

B. Automotive Electronics Business Group

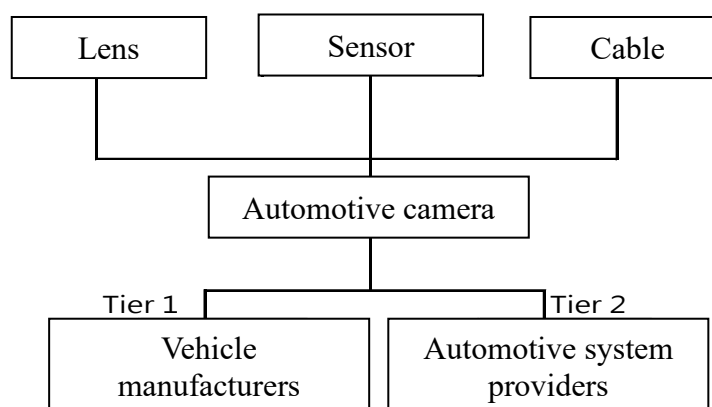
a. Current Situation

With respect to the development of global automobile industry chain, the Goldman Sachs Group, Inc., one of the world's largest investment institutions, estimates that global automobile sales in 2025 and 2026 will show a moderate growth. It is estimated that global automobile sales this year will increase by 1.8% annually to 9,000 units; in 2026, automobile sales will increase by 2.1% annually to 9,200 units. After more than two years of inventory adjustments, automobile sales will eventually return to pre-pandemic levels by 2026. Goldman Sachs also estimates that by 2027, demand for automobiles in mainland China will reach 24 million units, and demand for automobiles in regions other than mainland China is expected to reach 69 million units.

b. Development

Shun On's Automotive Electronics Business Group focuses on the development and production of a wide range of automotive electronic cameras and ECU modular systems, which are designed to enhance the performance, safety, comfort and intelligence of automobiles. With the elimination of global pandemic and the de-stocking of major supporting automobile manufacturers, the demand for shipments of automotive cameras, a major product of Shun On, has also risen sharply.

c. Interrelationship among industry upstream, midstream, and downstream



d. Trends and Competition

i. Product Development Trends

With the development of autonomous driving technology and the widespread use of smart vehicles, cameras and electronic control units (ECUs) are becoming increasingly important in automotive components. In respect of Shun On Electronic's future business strategy, demand for automotive electronic components is expected to continue to grow in response to the gradual widespread use of electric vehicles as well as the implementation of smart cockpit and autonomous driving application technologies. According to the current outlook of customers, the automotive parts market will continue to grow and achieve year-on-year sales growth in 2025. Meanwhile, in order to minimize geopolitical risks, Shun On has been actively promoting business development in the automotive market outside of mainland China. In addition to successfully achieving the mass production and shipment of automobile cameras for a number of Japanese brands in Thailand, Shun On has also obtained the opportunity to supply models of major Japanese brands in India. These initiatives have laid a solid foundation for Shun On's expansion plans in overseas markets and enhanced its ability to establish a global presence.

Shun On Electronic obtained the international ASPICE certification on December 20, 2024. Under the compatibility and integration of ISO26262 standard, Shun On Electronic will be able to fully demonstrate its automotive hardware and software development capabilities, develop into an internationally competitive automotive AI image integration system enterprise, satisfy the stringent quality standards required by automotive OEMs, and demonstrate the excellence of automotive software and system development processes. Automotive SPICE (A-SPICE), as the system process improvement and capability measurement standard of the global automotive industry, is an important standard for OEMs to assess the R&D process of the software and hardware systems developed by component suppliers. Shun On Electronic has engaged in the automotive parts industry for more than 8 years, and its products are sold to both fuel and pure electric OEMs. Obtaining the ASPICE CL2 certification is an important step for Shun On Electronic to reach the same global standard for the development process and quality management of its automotive intelligent software and integrated systems, which will enhance its competitiveness in the automotive industry in the area of autonomous driving, and satisfy the quality requirements of the mainstream automotive manufacturers. Obtaining the ASPICE CL2 certification will enable Shun On Electronic to move towards the development of the block chain of the micro-electric vehicle industry, and will form a more competitive capability with core related value.

ii. Market Competition in the Industry

Competition in the industry has intensified due to the entry of optical lens companies and traditional security companies from Mainland China into the automotive camera and ECU market. Most of these new industry players are adopting a price competition strategy to compete for orders through price cutting, which has exerted a significant impact on the profit margins of cameras. However, demand for high-performance automotive cameras and electronic control units (ECU) continues to grow due to the widespread use of electric vehicles and autonomous driving technology, which provides a good opportunity for Shun On to expand its market share. Meanwhile, geopolitical changes have had a complex and far-reaching impact on the automotive parts industry. Shun On has recognized these changes in advance and actively adjusted its supply chain strategy to minimize potential risks and ensure that it maintains an edge over competitors.

C. Special Vehicles Business Group

a. Current Situation

The Company is a professional manufacturer of “Electric Special Vehicles”, and our products mainly include golf carts, passenger transport vehicles, sightseeing vehicles, tool vehicles, and special vehicle accessories. Our products are mainly supplied to golf courses, resorts, airports, tourist attractions and parks, as well as to the personal and community vehicle markets in Europe and the U.S. The Company's products are suitable for all ages and multiple scenarios to meet the travel needs of different people, with a wide range of applications, and have won the favor of consumers by virtue of excellent practicality and high adaptability.

Due to the market and customer demand, the electric special vehicle market is developing at a high speed. More and more traditional ICE special vehicles are being converted to electric vehicles. The advancement of lithium battery technology has provided strong support for the transformation of special vehicles into electric vehicles, and the concept of green environmental protection and low-carbon travel promoted by the times has also facilitated the prosperous development of this market.

b. Development

According to a report by Global Market Insights (GMI), the global low-speed electric vehicle market is estimated to grow at a CAGR of 10.9% during the period from 2023 to 2032.

Mainland China manufactures and exports a significant amount of low-speed electric vehicles each year. Especially during the COVID pandemic when overseas manufacturers encountered supply chain problems and had limited production capacity, manufacturers in Mainland China seized the opportunity to increase their production capacity to capture the market, and achieved high growth for two consecutive years in 2021 and 2022. Currently, Mainland China has become an important manufacturer and exporter of low-speed electric vehicles in the world. Among them, the U.S. is the most important importer of golf carts in China and has the largest demand for golf carts and other low-speed electric vehicles. According to the General Administration of Customs of the PRC, in 2024, the total annual export volume of golf carts and other low-speed electric vehicles in the PRC amounted to 279,200 units, of which the total volume of golf carts and other low-speed electric vehicles exported to the U.S. amounted to 225,600 units, accounting for 80.8% of the total export volume. In terms of the competitive landscape, the low-speed electric vehicle market became increasingly competitive in 2024, especially in the major market of the U.S. On the one hand, Club Car, E-Z-GO and Yamaha, the three major international brands, have a long history of operation and have formed an extensive and dense sales network in overseas markets, with a leading edge in terms of brand awareness and market share. Since 2023, the insufficient supply of products of the three major brands, namely Club Car, E-Z-GO and Yamaha, has been improved, with the restoration in production capacity; on the other hand, under the fierce competition in the domestic market and policy support, there was an “overseas” fever in the manufacturing industry in China in 2023. A number of enterprises had been actively seeking for growth points in the overseas market. Some domestic low-speed electric vehicle enterprises have continuously strengthened overseas deployment and resource investment in terms of new products, price, channels, brand, etc., especially in competing for market share with relatively low price. Some enterprises have entered the field of electric vehicles, which has further intensified the competition. Since the second half of 2024, escalating international trade frictions have exacerbated uncertainty about the industry's exports to the U.S. On July 11, 2024, the U.S. Department of Commerce issued a notice deciding to initiate an “anti-dumping and anti-subsidy” investigation into the importation of Certain Low Speed Personal Transportation Vehicles from China. The anti-dumping investigation period was from October 1, 2023 to March 31, 2024, and the anti-subsidy investigation period was for the year throughout 2023. As of January 24, 2025, the preliminary results of the “anti-dumping and anti-subsidy” investigation have been released, and the manufacturing enterprises from Mainland China have been imposed of tax rates ranging from over 100% to over 400%. The results of this investigation and the trade protection measures have seriously affected the previous business model of China's low-speed electric vehicle enterprises towards the U.S., and major industry players have successively formulated plans to cope with this change.

- c. Interrelationship among industry upstream, midstream, and downstream
 - Upstream: Component suppliers, including frame, motor, electronic control, body chassis parts and appearance parts suppliers
 - Midstream: Vehicle manufacturers
 - Downstream: Final distributors

(This industry is more vertically integrated, with some enterprises producing both parts and vehicles, and some enterprises establishing their own distributor brands & networks to sell the vehicles they produce).
- d. Trends and Competition
 - i. Product Development Trends

Currently, there is a clear trend of passenger-oriented vehicles of low-speed electric vehicles for personal & community use. End-consumers are increasingly looking for more elements of passenger vehicles, including LCD displays with entertainment and navigation functions, smarter, better safety and ergonomic design, better sound systems, and more comfortable chassis and seats.

The golf carts used in golf courses, hotels and scenic areas require better durability and easier maintenance, as well as a longer range and the ability to provide operators with more value.
 - ii. Market Competition in the Industry

The target market of Learoad's products is mainly set for the leading enterprises of electric special vehicle manufacturers. Its overseas brand competitors mainly include Club Car, E-Z-GO and Yamaha, etc., and Chinese brand competitors mainly include Excellence, Lvtong, Marshall, EDA, etc.

(3) Technical and R&D Status

A. Key R&D Personnel Experience

Our company's R&D personnel have extensive experience in the development of automotive electronic products and relevant academic backgrounds. With accumulated experience working with automotive OEM customers over the past five years, our R&D team members are capable of independently addressing customer requirements and developing more competitive products.

The core R&D team of the newly merged Special Vehicles Business Group has more than 10 years of experience in the development of automotive vehicles, chassis, electronics, controller algorithms, and vehicle and component testing. Over the past five years, we have successfully integrated automotive design concepts into the area of special vehicles, and have developed and completed the development of more than 10 models of different applications, including the L-series and T-series platform models. At the same time, we are in the process of developing a brand new frame platform, which has entered the stage of chassis assembly. The platform can derive more than 10 different models for different applications. Through these projects, we have gained a deeper and more detailed understanding of the special vehicle industry, and integrated the commitment to product excellence of the automotive industry with the unique customer needs of the special vehicle industry, enabling the team to be equipped with the ability to develop more competitive products.

B. R&D expenditure in the past five years (2021-2025)

Unit: NT\$1,000

Year	Research and development expenses
2021	236,378
2022	125,519
2023	112,025
2024	87,603
2025 (Projected)	77,352

C. Technology R&D Plans in the Past Three Years

Vehicles equipped with advanced driver assistance systems (ADAS) have gradually become popular in not only high-end car models but also in general mid-range and low-cost car models. With the increasing demand and market development of ADAS, the demand and quantity of automotive cameras have been continuously rising. In terms of specifications, with the research and development improvements in signal digitization and semiconductor processes, the resolution of surround-view cameras has been increased to over 3 million pixels. The cameras used in ADAS have reached 8 million pixels, with an improved image refresh rate of 60fps. As product specifications continue to improve, the design and manufacturing complexity of cameras will also increase. Only through innovation and self-improvement can we maintain competitiveness in the market.

Our company is dedicating R&D resources to develop high-resolution and high-pixel cameras with over 3 million pixels, as well as AVM (around-view monitoring) systems, to enhance product competitiveness. We will also optimize the design of existing mainstream 1 million pixel cameras, achieving the most competitive balance between cost and functionality. In addition to camera resolution, we are expanding the application of cameras from traditional rear-view cameras to include passenger monitoring, driver monitoring, side blind-spot monitoring, front-facing ADAS, CMS (cabin monitoring systems), streaming rearview mirrors, driver identification, and other applications. Our camera product roadmap covers camera applications for the entire vehicle, enhancing overall product competitiveness.

In addition to developing updated and more comprehensive camera products, the R&D is in line with the Company's development to enrich the product line. Resources have been invested in the development of low-speed vehicle controllers, with the plan to realize low-speed vehicle automated driving.

The Special Vehicles Business Group focuses on technological innovation and product upgrades, and has formulated a detailed technological R&D plan. Among them, the development of the aluminum-framed golf platform model is particularly noteworthy. This model not only adopts a lightweight design, but also integrates advanced drive system and intelligent control technology, as well as upgrades the front and rear suspension of the chassis to provide users with an excellent driving experience. Moreover, the R&D of the aluminum-framed LSV model is also underway. We are committed to making it an efficient, intelligent and comfortable low-speed vehicle. At the same time, we have introduced air-conditioning technology into the development of golf carts to provide users with a more comfortable ride.

In terms of battery technology, we are developing battery packs with 4G function and parallel battery BMS, aiming to realize accurate monitoring of the battery and provide customers with a more flexible battery experience, so that users can easily expand the battery capacity of the vehicle to meet the diversified needs of different usage scenarios. In addition, the development of the smart screen will bring users a more convenient and intelligent operating experience.

Finally, we are actively exploring the development of driverless golf carts, hoping that this innovative technology will revolutionize the golf cart industry and enhance the efficiency of golf course operations while ensuring safety and stability.

D. Research and Development Achievements in the Past Five Years

- a. Camera: In the past five years, our company has successfully completed the development of 1 million-pixel, 3 million-pixel, 5 million-pixel, and 8 million-pixel cameras. These cameras are designed for various applications, including surround-view systems, in-cabin monitoring, and driver monitoring. We have received orders from customers in Chinese, European, and Japanese markets. Multiple projects have achieved customer approval and completed the development process.
- b. Surround-view AVM ECU: The development of AVM (Around View Monitor) ECU has been completed, including software, hardware, and algorithm development. There is no need to outsource software licensing as we can independently handle core algorithm and hardware development. This product has received customer orders and will be gradually shipped in volume starting from 2023. The research and development achievements have gained the trust of customers, and we have been awarded the Best Supplier by a customer in 2023.

- c. Image-based Automated Parking System: Through a project funded by the Ministry of Science and Technology, we have established algorithms, software, and hardware prototypes for an image-based automated parking system. This has significantly enhanced our technical expertise and will allow us to further enhance the value of our camera products. Our goal is to establish ourselves as a leading automotive camera supplier with world-leading technology.
 - d. Cabin monitoring system (CMS): The company has completed development of a sample CMS package that encompasses the software, hardware, and algorithms. This product is currently being promoted to customers, and many of which have expressed interest in the product.
 - e. In 2023, the Company obtained ISO26262 Functional Safety Certification (Highest Level D). In 2024, we completed the improvement of the ASPICE software development process and obtained the capability certification, so as to raise the threshold of automotive electronic products.
 - f. 48V105Ah: In 2023, we completed the mass production development of 48V105Ah battery packs. The products together with whole vehicles have been sold to Southeast Asia and other customer markets. This product adopts relay control program, with cell over-voltage, over-current and over-temperature protection mechanism. It is equipped with Bluetooth WIFI function, which can remotely monitor the various working conditions of the battery cell, and remotely upgrade the software.
 - g. T-series platform models: The development of T-Series (T2/T4/T2_Golf) models has been completed, and mass production has commenced in March 2023.
 - h. L-series platform models: In 2021, we completed the mass production development of L-series platform models, which include: L2/L4/L6 golf carts, container trucks, linen trucks, fire trucks, ambulances, etc.
- (4) Long-term and Short-term Business Development Plans
- A. Short-term Marketing Development Plan
- a. Product Strategy
- i. All of our conductive film products are customized based on customer requirements, providing short lead times, high quality, large-scale manufacturing, and low costs. In the future, we will focus on improving product quality while leveraging our excellent manufacturing capabilities. We will also aim to secure orders and contract manufacturing for high-value-added IA (Intelligent Automation) products, offering customers a wider range of choices to meet their diverse needs.

- ii. Our automotive camera module products are also customized according to the requirements of automotive manufacturers. To enhance product versatility, we are working towards modular and standardized camera designs, improving cost structures and standardizing module designs to provide customers with more diversified options and meet their various needs.
 - iii. The special vehicle products of the Company are customized models made according to customer needs. At present, we have established the advantages of fast development, good quality, mass production and cost competitiveness. In the future, we will further optimize the engineering and manufacturing capabilities in pursuit of quality refinement, provide more customized options to meet the differentiated needs of customers. The other part of products are our independently-developed platforms and models. In the short term, we will focus on optimizing and reducing the cost of existing models, while continuing to develop new models to promote sales through the continuous introduction of products that meet end-market needs in a more timely manner and at a better price-performance ratio.
- b. Pricing Strategy

We will develop advantageous pricing policies considering factors such as supply and demand for existing products, customer relationships, market segmentation, and industry competition.
- c. Marketing Strategy

Establishing a strong brand image to enhance company reputation, implementing different pricing strategies based on market characteristics to enter the market, and increasing market share.
- d. Channel Strategy

We will leverage existing customer relationships, product quality, and engineering capabilities to establish and expand our presence in the entire market.
- B. Long-term Marketing Development Plan
 - a. Proactively expand the application of films in various industries such as electronics, telecommunications, IA, and 3C peripheral devices. Establish a brand image with knowledge and creativity to gain recognition from more customers and expand the market for our products.
 - b. Develop more passenger vehicles for personal & community use, and more durable special vehicles with better functionality, increase new categories, gain more customers' favor with smarter, more technological and more powerful vehicles, and expand the sales market of the Company's products.
 - c. Establish a stable long-term marketing channel, whether it is a stable agent or a direct sales channel.

- d. Establish an excellent brand image and expand brand awareness, reputation and brand premium.
- e. Participate in and obtain certifications from various international certification systems.
- f. In response to industry changes and the development of new technologies, we will focus on developing related products to fulfill the future growth requirements of the Company.
- g. Identify strategic partners to collaborate and jointly penetrate the market, and build up non-Chinese production capacity to avoid the high tariffs imposed by the U.S. on low-speed electric vehicles made in Mainland China.
- h. Develop new regional markets and seek strategic partners for different countries and regions to jointly expand into the market. Adopt a flexible business model, including the establishment of subsidiaries/branches, distributors/agents, or joint ventures.

2. Market and sales overview

(1) Market analysis

A. Conductive Film

a. Main Sales Regions

Our main customers for sales are significant OEM contract manufacturers from various countries, and the primary sales region in 2024 was Asia.

b. Future supply and demand conditions

According to TrendForce, the global laptop market in 2024 was affected by high interest rates, high global inflation, and geopolitical factors, with a slowdown in the recovery of demand. The annual shipments was approximately 174 million units, an annual increase of 3.9%.

Expectations of a rate cut by the U.S. Fed have risen in the first half of 2025 as indicators showed inflation becoming under control. In the meantime, major laptop manufacturers have reported progress in their elimination of excess inventory. If the U.S. Fed does begin rate cuts in the first half of the year like the market has expected, it would help lower borrowing costs and increase liquidity for businesses.

Looking ahead to 2025, the conclusion of the U.S. election has reduced political uncertainties, and the Federal Reserve Board has initiated an interest rate cut in September 2024, which will boost liquidity. Coupled with the termination of Windows 10 and the demand for business replacements, it is expected that the laptop shipments in the following year will increase by 4.9% year-on-year to 183 million units.

c. Growth Potential and Competitive Niche

i. Stable Development

"Conductive film for computer keyboards" is a low- priced product with mature technology. Although the product differentiation is limited, continuous innovation and the application of new materials and technologies remain crucial for companies to maintain their competitiveness. In the downstream keyboard industry, which supplies the industry our company operates in, it remains one of the most important computer input devices despite competition from touch panels, mice, voice input, optical character recognition technology, and other input devices. There is currently no clear trend indicating a complete replacement for keyboards, and they are expected to continue to develop with the increasing prevalence of computers. Additionally, with the stable market for notebooks, this industry continues to exhibit significant vitality.

ii. Global Logistics

Due to the globalization and liberalization of global economic and trade activities, significant changes have occurred in production, sales, and distribution systems. In order to serve customers nearby and reduce production costs, our company has established production bases in locations such as Jiaxing and Chongqing through third-party investments. This not only allows us to provide local customer service but also helps reduce production costs, enabling flexible delivery locations to meet customer demands.

iii. Efficient Production Management

The Chinese factories invested in by our company have obtained ISO 9001 and ISO 14001 certifications, and critical manufacturing processes are strictly controlled in clean room production environments. In terms of quality control, we employ single-chip testing and 100% testing of finished products. We also conduct customer environment simulation testing to achieve high product reliability, which has earned us the trust of our customers.

iv. Our products have a clear positioning and we have been deeply cultivating the market for a long time.

Our main product is the conductive film used in computer keyboards, which has seen robust growth in recent years alongside the flourishing computer industry both domestically and internationally. While actively expanding downstream customer markets for computer keyboard conductive films, we have leveraged our internal resources to stabilize and expand our sources of orders, as well as maintain good cooperative relationships with our customers through our excellent product quality.

d. Development vision and response strategies

- i. The global information and communication technology industry continues to exhibit a growth trend.

According to Topology Research Institute, the estimated shipment volume and growth forecast for notebooks globally indicate that various consumer electronic products in the information sector are expected to remain stable. It is anticipated that if the demand for information products continues to increase in the future, it will be beneficial to the Company's operations.

- ii. We maintain a technological edge over our competitors and maintain good relationships with international major players.

Since our establishment, our company has been committed to continuous research and development and has collaborated with downstream manufacturers to enhance our technological capabilities through technical exchanges. We also stay abreast of trends in the downstream consumer market, allowing us to lead the industry in developing products that meet market demands. Compared to other companies with lower research and development and technological capabilities, our company possesses extensive research and development experience and a technological advantage. Our company is committed to vertical integration in order to enhance competitiveness.

- iii. We are dedicated to improving product quality.

Our factory in mainland China has obtained ISO-9001 (2000 edition) and ISO-14001 (2004 edition) quality certifications, as well as QS9000 (1998 edition) certification. We also have ASUS GP certification. With long-term operations in multiple electronic product manufacturing factories, our product quality is highly recognized. We have established relevant internal control systems and operational standards to ensure work compliance. This demonstrates our company's emphasis on product quality and enhances our international competitiveness.

- iv. We enjoy economies of scale and are a leading manufacturer in the domestic market.

Since our establishment, we have focused on product research and development, striving to enhance product quality. We have gained recognition from well-known domestic and international manufacturers and established long-term partnerships. In recent years, to adapt to industry trends, we have established subsidiary companies through investment to set up production bases in Jiaxing and Chongqing. We fully utilize the relatively abundant and cost-effective local labor force for large-scale production, achieving economies of scale and effectively reducing production costs. This enhances our product's competitiveness in the market. Currently, we are one of the leading manufacturers of conductive films in the domestic market. In the future, we will consider changes in the economic situation and resource utilization. We will integrate and leverage the operations and resources of our production bases in Jiaxing and Chongqing more effectively.

- v. We will directly face the strict challenges of the international market.

Due to the rapid development of electronic products, product life cycles are becoming shorter, and manufacturers' production efficiency has greatly improved. This has resulted in faster price depreciation than originally expected. In order to maintain market competitiveness, international large-scale manufacturers have been pressuring contract manufacturers to reduce production costs, leading to lower profits for contract manufacturers.

Corresponding strategies:

To balance product value and production capacity, our company will place stricter requirements on product quality. We will actively pursue and obtain various quality certifications to strengthen compliance with the stringent quality requirements of the high-tech electronics industry. By utilizing superior technological certifications and quality, we aim to expand into related industries with higher technological demands and niche markets.

- vi. Establishing an international corporate image and developing strong business channels for sales are essential.

Establishing an international corporate image and establishing close business channel relationships within the global economic system are urgent tasks that need to be addressed quickly.

Corresponding strategies:

Our company has been deeply involved in the field of conductive films and has established an international corporate image in the keyboard market. We have long-term business relationships with the top three global keyboard manufacturers, including Quanta. We will also adopt a closer strategic alliance with downstream customers to enhance our international reputation through these business interactions, which will contribute to expanding and developing the international market.

- vii. The rise in labor costs in mainland China and the global increase in raw material prices have put pressure on production costs.

In recent years, labor departments in various provinces in mainland China have raised wages to protect workers' rights. This has led to increased operating costs due to the impact of the policy for our production bases in Jiaxing and Chongqing. Moreover, in 2024, major raw materials, such as conductive silver paste, have been affected by the rising international silver price, resulting in an increase in material costs, which in turn increased the overall production costs of the products.

Corresponding strategies:

Actively collaborate with major computer and communication manufacturers to jointly develop new products. The higher gross profit from these new products helps offset the impact of rising labor costs in mainland China. Evaluate the feasibility of setting up production bases in other locations and consider transferring mature products and processes with higher labor requirements to production bases with abundant labor resources and lower costs. This will effectively reduce operating costs. Improving the automation of production lines is the most effective way to reduce labor costs. Strengthening connections with upstream suppliers of raw materials, closely monitoring the dynamics of raw material prices, and early communication with suppliers are also important. This ensures stable prices and quality of raw material sources. Furthermore, actively collaborating with major computer and communication manufacturers in developing new products, as these products' pricing can better reflect the rising production costs.

B. Automotive

a. Main Sales Regions

In 2024, Shun On Electronic's sales of automotive cameras were mainly concentrated in Mainland China, where automotive brand customers accounted for approximately 60%. The sales in overseas markets were mainly concentrated in Southeast Asia, accounting for approximately 40%. As for ECU controller products, 100% of the sales were from customers in Mainland China. Shun On Electronic is expected to gradually expand into the North American automotive market by 2026. This strategy is expected to drive the growth in real revenue.

b. Future supply and demand conditions

From 2024 to 2025, the automotive camera market has shown rapid expansion, driven by upgraded automated driving technology, regulatory support and growing consumer demand. Compound Annual Growth Rate (CAGR): It is estimated that the CAGR of the global automotive camera market will be approximately 12-15% from 2023 to 2030, and the market size may exceed US\$10 billion in 2025 (Source: Yole Développement, McKinsey). EU NCAP 2025 requires new vehicles to be equipped with standard ADAS functions (e.g., automatic emergency braking, lane keeping), driving the demand for cameras. China's "Smart Connected Vehicle Technology Roadmap 2.0" specifies that the L2/L3 penetration rate will reach 50% by 2025.

c. Growth Potential and Competitive Niche

i. Integration and Innovation of Technology Integration Platforms

Enhancement in R&D of optical imaging includes the integration and innovation of technology integration platforms as follows:

High resolution and HDR technology: 8MP cameras will gradually replace the traditional 1-2MP cameras to enhance the ability to recognize complex environments.

Multi-spectrum fusion capability: Infrared cameras (for night driving) and visible light cameras will be integrated to enhance full-time safety.

AI integration applications: Edge computing chips (such as NVIDIA Orin) will support real-time image processing and reduce latency.

ii. This will contribute to our global business expansion.

The growing demand for advanced driver assistance systems (ADAS) and smart cockpits has resulted in intensified global competition of the automotive camera market. Enterprises are required to develop differentiated global expansion strategies that incorporate regional policies, supply chain deployment, and customer needs.

The key directions and execution framework are as follows:

Core requirements: High-end ADAS (L2+ or above), high-resolution cameras (8MP+), in-cabin DMS (Driver Monitoring System).

Cost-effective solutions (below 5MP), basic ADAS (L1-L2), new energy vehicle packages.

Technology certification: Pass ISO 26262 functional safety certification, AEC-Q100 automotive reliability test.

iii. Efficient Production Management

Reduce tariff cost through joint venture or OEM, and deploy lens module production in India to avoid trade friction between China and the U.S. Avoid single dependence in terms of key components and spare chain. Chips: In addition to Sony, selected brands include OmniVision and Stowe, etc.

d. Development vision and response strategies

i. The global industry maintains a growth trend.

The explosive demand for advanced driver assistance systems (ADAS) and smart cockpits has resulted in a continuous growth in the automotive camera market as well as increasingly intensified competition. Shun On Electronic has found a balance between the industry trend and the pressure of competitors, and has developed an effective global competitive strategy.

(a) Mandatory Installation as Stipulated by Policies and Regulations:

EU: GSR regulation mandates new vehicles to be equipped with Driver Monitoring System (DMS) from 2024 onwards, resulting in a surge in demand for in-cabin cameras.

U.S.: NHTSA requires all new vehicles to be equipped with standard rear view cameras, and promotes the popularization of AEB (Automatic Emergency Braking).

China: The “Regulations on the Administration of Smart Connected Vehicle Admission” require that the L2 ADAS penetration rate reach 50% by 2025.

(b) An increase in the use of cameras due to upgrades of autonomous driving:

L2+ models: 8-12 cameras on average (front view + surround view + in-cabin).

L4 Robotaxi: Waymo, Cruise, etc. use 15+ high-resolution cameras to build panoramic perception.

In-cabin intelligence: DMS, OMS (occupant monitoring system), gesture control and other applications increase demand for cameras.

(c) Technology iteration drives the growth of high-end market:

Resolution upgrade: From 1-2MP → 8MP+ (Tesla HW4.0 adopts 12MP camera).

Multi-spectrum fusion: Infrared (IR) + RGB camera to improve the performance at night and under bad weather conditions.

AI edge computing: Mobileye EyeQ6, NVIDIA Orin, etc. support real-time image analysis to reduce latency.

- ii. We are directly facing challenges from competitors.

Type	Representative Enterprises	Competitive Advantages	Threats
International Tier1	Bosch, Continental, Aptiv	Deeply bonded with car manufacturers and provide complete ADAS solutions	High price and low flexibility
Local Chinese manufacturers	Sunny Optical, OFILM, LianChuang Electronic, Hikvision	Low cost, quick response, dominate the middle and low-end market	Less technology accumulation, difficult to make a breakthrough in high-end market
Optical sensor	Sony, Samsung, OmniVision Technologies	Mastery of CIS (contact image sensor) core technology	Possible vertical integration, compromising profits of module manufacturers

Corresponding strategies:

- (a) Enhancing competitiveness:

High resolution + low latency: 8MP camera becomes standard configuration for L3+, optimizing data transfer (e.g. SerDes technology).

Multi-sensor integration: Synergize with radar and LiDAR to enhance all-weather sensing capability.

Automated production: Introducing AI image quality inspection and automated assembly coverage to reduce labor costs.

Mass production of high-end 8MP cameras: Widen the gap with low-priced competitors. Scale effect: Secure more than 1 million units of orders per year to increase bargaining power.

- (b) Intelligent Integration Solution:

Deploy 4D imaging + event camera to address laser radar competition.

In-depth cooperation with auto-driving algorithm companies to provide complete vision solutions.

Technology (high resolution + AI) + cost (scale + automation) + regional development (local supply chain).

C. Special Vehicles

- a. Main Sales Regions

The Company's major sales customers are distributors in Mainland China and various countries. The major sales regions in 2024 were the U.S. and Southeast Asian markets. However, our business scope has expanded to Europe, Africa, and the Middle East.

- b. Future supply and demand conditions

Low-speed electric vehicles will be widely used. According to GMI's report, global sales of low-speed electric vehicles are expected to reach 319,000 units in 2024 and increase to 563,000 units in 2030.
- c. Growth Potential and Competitive Niche
 - i. Global Logistics

As a result of the rise of trade protection measures due to geopolitical impact and the trade tariff issue between the U.S. and China, there will be significant changes in the production and marketing system. In order to sustain supply to the U.S. market and control production costs, the Company has established a non-Chinese supply chain and vehicle production capacity to achieve continuous production and supply; at the same time, the Company is able to achieve global coordination of operations with the R&D engineering resources in Mainland China to secure more opportunities.
 - ii. This will contribute to our global business expansion.

Through the cooperation of the global distributor network to develop business, the Company also continuously develops new regions to balance the profit and loss status of each customer and sales volume fluctuations in order to achieve healthy corporate development.
 - iii. Efficient Production Management

The Company's factories have obtained ISO9001 certification. The main processes are completed by professional production equipment, which can achieve highly reliable product quality.
- d. Development vision and response strategies
 - i. The global industry maintains a growth trend.

Due to the development of battery electric drive technology and the widespread use of electric passenger cars, the global production of electric special vehicles is also increasing. With the increasing acceptance of end-users, as well as the promotion of low-carbon travel by the government and corresponding regulatory authorities, we will fully capture the opportunity to secure market share under this prospect.
 - ii. We are directly facing challenges from competitors.

Due to the rapid development of the low-speed electric vehicle market, many manufacturers are competing for the market with relatively low prices. At the same time, there are also enterprises in other industries competing for this segment. Our competitors are increasing, and the competition will become even more intense due to the impact of trade tariffs between China and the U.S.

iii. Establishment of overseas production capacity

With the Company's resources (capital, manpower, venues, etc.) and a quality internationalized team, it is possible to establish non-Chinese vehicle production capacity in a relatively short period of time to ensure continuous supply of goods to the U.S. market. Certain companies with insufficient resources and internationalization capabilities may have to withdraw from the market either actively or passively in the face of such a situation.

iv. Product differentiation

Relying on the Company's internal and external resources (R&D team, external suppliers, partners, etc.) with corresponding passenger car backgrounds, we will develop new, differentiated, and more passenger-oriented products to bring better value to our customers, rather than just engaging in price wars.

v. Establishment of channel barriers

Through in-depth bonding of distributors and partners in different countries and regions, we are able to occupy and maintain high-quality channel resources with a certain degree of exclusivity.

(2) The restrictions on orders from international manufacturers have increased the difficulty of production.

A. Conductive Film

a. The main products serve the following important purposes

Computer keyboard conductive films are primarily used in computer keyboards and various types of panel buttons.

b. Production Processes

The production of computer keyboard conductive films is carried out in our third-party invested factories in mainland China. The finished products are then directly delivered to our customers.

B. Automotive

a. The main products serve the following important purposes

i. Vehicle cameras are primarily used for input signals in automotive vision systems and ADAS.

ii. Intelligent production lines are utilized to enhance production efficiency.

b. Production Processes

Vehicle cameras are manufactured through third-party investment in mainland China and local factories in Taiwan, and the finished products are directly delivered to customers.

C. Special Vehicles

a. The main products serve the following important purposes

- i. Golf Carts: Used by golf courses for guests/caddies to drive around the course to complete the game. It may also be used as shuttles of some resorts.

Passenger Transport Vehicles (PTV): Used by individuals and families for short-distance travel.

Sightseeing Vehicles: Mainly used for transportation to and from tourist attractions or parks.

Tool Vehicles: The vehicles may be widely used in hotels, parks, etc. for ambulance, fire fighting, sales, linen trucks, cargo transportation according to different types purposes.

Special Vehicle Accessories: Provide after-sale market maintenance, modification, and upgrading of special vehicles.

- ii. Intelligent production lines are utilized to enhance production efficiency.

b. Production Processes

Various parts (chassis, powertrain, batteries, body structure and exterior parts, etc.) are assembled in the factory and turned into complete vehicles, after which the finished products are packed and delivered directly to customers.

(3) Supply Status of Main Raw Materials

- A. For computer keyboard conductive film, the main raw materials used by the Company are PET and conductive ink, both of which are bulk commodities. The main suppliers are Sichuan Oriental and Guiyan Platinum Industry. As the raw materials are mature products, there is no risk of shortage.
- B. The main raw materials for electronic products include electronic sensors, optical components, and active/passive electronic components. Currently, the main suppliers are foreign manufacturers such as Sony, Anson, Texas Instruments, or their distributors. They provide global resources and local supply, ensuring good quality and normal supply through planned procurement.
- C. The main raw materials for special vehicles are all kinds of electric special vehicle related parts and components. Chassis and body structural parts are mainly metal parts (mainly iron and aluminum, covering different manufacturing processes, including stamping, casting, extrusion, welding, bending, etc.) Powertrain components are mainly motors, controllers, and battery packs. Interior and exterior body trim parts are mainly plastic parts (injection molding and painting processes). Body electronics include meters, monitors, amplifiers, speakers and other electronic devices. Seats include plastics, metal skeletons, foams and leather, etc. Some rubber parts (tires and carpets, etc.) are also used. The Company mainly adopts stable suppliers in Asia, with relatively stable production and supply of corresponding raw materials. There is no risk of stock shortage.

(4) Customer information representing more than 10% of total purchases in the past two fiscal years (consolidated).

A. Customer information representing more than 10% of total sales in the past two fiscal years.

Unit: NT\$1,000; %

	2023				2024			
Item	Name	Amount	As a Percentage of Net Sales for the Year (%)	Relationship With the Issuer	Name	Amount	As a Percentage of Net Sales for the Year (%)	Relationship With the Issuer
1	Party B.	505,220	39	Other related	Party A.	544,059	34	Other related
2	Party A.	497,642	39	Other related	Party B.	491,544	30	Other related
3								
4								
5	Others	286,088	22		Others	579,277	36	
	Net sales	1,288,950	100		Net sales	1,614,880	100	

Note 1: Provide the names of customers whose sales amount accounts for more than 10% of the total sales in the past two fiscal years, along with their sales amounts and ratios. However, if the contract prohibits the disclosure of customer names or the trading parties are individuals who are not related parties, they may be represented by codes.

Note 2: As of the date of printing of the annual report, companies listed or whose stocks are traded at securities dealerships should disclose the latest financial information that has been audited or reviewed by accountants.

B. Suppliers' information whose purchase amount accounts for more than 10% of the total purchases in the past two fiscal years.

Unit: NT\$1,000; %

	2023				2024			
Item	Name	Amount	As a Percentage of Net Sales for the Year (%)	Relationship With the Issuer	Name	Amount	As a Percentage of Net Sales for the Year (%)	Relationship With the Issuer
1	Party A.	102,677	19	None	Party A.	109,631	14	None
2					Party C.	84,560	11	
3								
4								
5	Others	434,296	81		Others	566,725	75	
	Net Purchase Amount	536,973	100		Net Purchase Amount	760,916	100	

Note 1: Provide the names of suppliers whose purchase amount accounts for more than 10% of the total purchase in the past two fiscal years, along with their purchase amounts and ratios. However, if the contract prohibits the disclosure of supplier names or the trading parties are individuals who are not related parties, they may be represented by codes.

Note 2: As of the date of printing of the annual report, companies listed or whose stocks are traded at securities dealerships should disclose the latest financial information that has been audited or reviewed by accountants.

3. Recent two years and as of March 31, 2025, employee data includes the number of employees, average length of service, average age, and distribution percentages of educational qualifications.

Employee Information for the Recent Two Years and As of March 31, 2025:

		March 31, 2025		
Year		2023	2024	2025 up until March 31
Employee Count	Direct	1,151	1,026	788
	Indirect	164	143	192
	Total	1,315	1,170	980
Average Age		33.2	34.2	35.0
Average Length of Service		3.1	3.0	3.2
Education Distribution Ratio	Doctor	0.00%	0.09%	0.10%
	Master	1.06%	1.28%	1.73%
	Bachelor	3.88%	6.32%	7.65%
	College	6.39%	9.15%	8.37%
	High school	33.31%	24.44%	22.65%
	Junior High School Degree or Below	55.36%	58.72%	59.49%

4. Environmental expenditure information

For the most recent year and up to the printing date of the annual report, losses incurred due to environmental pollution (including compensation and environmental protection inspection results for violations of environmental regulations) should be disclosed. The disclosure should include the date of the penalty, penalty reference number, violated regulatory provisions, details of the violations, and the nature of the penalties imposed. The report should also provide an estimation of current and potential future costs related to these violations, as well as the corresponding measures taken. If a reasonable estimation is not possible, the report should explain the reasons for the inability to provide such an estimate. In this case, there are no circumstances requiring a reasonable estimation.

5. Labor relations

- (1) The company's various employee welfare measures, education, training, retirement system and their implementation, as well as agreements between labor and management and measures to protect the rights and interests of employees:

A. Employee welfare measures:

In order to boost morale and enhance employee cohesion, our company established the "Employee Welfare Committee" on May 10, 2002. The committee designs and plans team-building activities that promote the physical and mental well-being of our employees, fostering a spirit of symbiosis, coexistence, and cooperation among teams. Through these activities, we aim to strengthen the harmonious relationships among our employees and their sense of loyalty towards the Company. In addition, the Company has implemented the following welfare measures:

- a. Group insurance coverage (including injury and medical insurance) in addition to labor and health insurance.
- b. An annual domestic or overseas travel opportunity for employees.
- c. Subsidies for employee travel expenses.
- d. Assistance programs for marriage, bereavement, celebrations, childbirth, illness, and emergencies.
- e. In order to boost morale and enhance employee cohesion, our company established the "Employee Welfare Committee" on May 10, 2002. The committee designs and plans team-building activities that promote the physical and mental well-being of our employees, fostering a spirit of symbiosis, coexistence, and cooperation among teams. Through these activities, we aim to strengthen the harmonious relationships among our employees and their sense of loyalty towards the Company.
- f. Monthly distribution of birthday vouchers and commemorative gifts (including edited birthday celebration videos presented to the birthday stars).
- g. Various discounts at affiliated shops and restaurants.
- h. Irregular festive activities and afternoon tea events.
- i. Incentive-based benefits:
 - (i) Year-end bonuses awarded to outstanding employees.
 - (ii) Annual proposal improvement bonuses.

B. Retirement system:

The company has established retirement provisions in accordance with the Labor Standards Act, Labor Retirement Pension Act, and other relevant regulations to ensure the stability of employees' post-retirement lives.

Retirement pension allocation: Since July 1, 2005, the Company has implemented a retirement plan in accordance with the "Labor Retirement Pension Act," which applies to employees of national origin. For employees that opt for the retirement pension system under the "Labor Retirement Pension Act," the Company contributes a monthly amount not less than 6% of the salary to the employees' individual accounts at the Labor Insurance Bureau. The contribution is based on the salary grade table approved by the Executive Yuan and is deposited in the employees' individual retirement pension accounts established by the Labor Insurance Bureau. The payment of employee retirement pensions is made either on a monthly basis or as a lump sum, depending on the amount accumulated in the employees' individual retirement pension accounts and the accrued earnings.

Employees who are 60 years of age or older and have worked for 15 years or more are eligible to receive monthly retirement pensions. Those with less than 15 years of work experience are eligible to receive a lump sum retirement pension. Employees who wish to retire voluntarily should submit their retirement application to the Human Resources department one month before the planned retirement date. The application will be reviewed and approved by the respective supervisor before being processed by the Human Resources unit.

- (2) For the most recent fiscal year and up to the date of printing of the annual report, any losses incurred due to labor disputes are disclosed, including the current and estimated future amounts, as well as the measures taken to address them.

The company maintains a harmonious labor-management relationship and anticipates no losses resulting from any labor disputes. It is expected that no labor-related issues will arise.

6. Information security management

The company's information management unit is responsible for establishing information security management objectives and policies. Regular assessments are conducted to review internal and external information security threats and continuously improve the effectiveness of security measures to ensure information security.

The company implements the following protective measures related to information security:

A. Computer Virus Management

- a. Installation of legitimate antivirus software, real-time virus definition updates, and regular scans.
- b. Implementation of cloud-based email protection solutions to block viruses in attachments, malicious links, and phishing emails.

B. Network Security Management

- a. Regular system updates and tracking of update integrity, actively patching information system security vulnerabilities.
- b. Deployment of advanced firewalls to proactively block advanced network attack behaviors and mitigate the risks of viruses and network attacks.

- c. Implementation of segregation measures in production line networks to reduce the risk of virus intrusion into the production line.
 - C. System access control and maintenance security management.
Implementation of a password security policy and evaluation of the adoption of multi-factor authentication (MFA) to enhance system access security.
 - D. Business Continuity Planning
 - a. Adoption of a highly available virtual platform architecture to improve information system availability and fault tolerance capabilities.
 - b. Establishment of automated backup and cross-site disaster recovery solutions to enhance disaster recovery capabilities.
 - c. Implementation of an enterprise-level cloud storage solution to significantly improve file security and availability.
 - d. Implementation of cloud-based backup solutions for file servers to mitigate the risks of file encryption by ransomware and accidental file deletion.
 - E. Information Security Education and Training
 - a. Regular dissemination of information security awareness announcements to enhance employees' awareness of security measures.
 - b. Training employees to identify, prevent, and report email social engineering attacks, and conducting regular phishing email tests to enhance employees' email security awareness.
 - F. Losses, possible impacts, and countermeasures suffered as a result of significant information and communications security incidents for the most recent year and up to the date of printing of the annual report, or, if they cannot be reasonably estimated, the fact that they cannot be reasonably estimated: None.
7. Important contracts
- Existing and expiring supply contracts, technology cooperation agreements, engineering contracts, long-term loan contracts, and other significant contracts that may affect investors' rights and interests: None.

V. Review And Analysis Of Financial Condition And Including Risk Factors

1. Financial overview

Explanation of the main reasons and impacts of significant changes in assets, liabilities, and equity during the past two years. If there are significant impacts, the plan for addressing them in the future should also be disclosed.

(1) Analysis of financial condition.

A. Comparative analysis of financial condition.

Unit: NT\$1,000; %

Item \ Year	2024.12.31	2023.12.31	Amount Increased (Decreased)	Change Ratio
Current Asset	2,257,207	1,801,588	455,619	25%
Property Plant, and Equipment	296,957	440,958	(144,001)	-33%
Other Assets	469,733	368,814	100,919	27%
Total Assets	3,023,897	2,611,360	412,537	16%
Current Liability	1,007,173	769,797	237,376	31%
Non-Current Liability	23,350	60,530	(37,180)	-61%
Total Liabilities	1,030,523	830,327	200,196	24%
Capital Stock	1,479,063	1,479,063	0	0%
Capital Surplus	502,487	502,487	0	0%
Retained Earnings	(174,972)	(287,637)	112,665	39%
Other Equities	(9,720)	(87,059)	77,339	89%
Treasury Stock	(55,567)	(55,567)	0	0%
Non-control Equity	252,083	229,746	22,337	10%
Total Equity	1,993,374	1,781,033	212,341	12%

Explanation of Significant Changes:

1. The increase in current assets was mainly due to the increase in accounts receivable and inventories due to growth in revenue.
2. The decrease in property, plant, and equipment was mainly due to the sale of land.
3. The increase in other assets was mainly due to the acquisition of goodwill and patent rights from the sub-subsidiary Learoad.
4. The increase in current liabilities was mainly due to the increase in payables as a result of the increase in inventories.
5. Non-current liabilities decreased mainly due to termination of plant lease by Tainan Minyi.
6. The increase in retained earnings was mainly due to the profits incurred in the fiscal year 2024.

B. Potential Impact on the Company's Future Financial Operations: No significant impact.

C. Future Response Plan: Not applicable.

2. Financial performance

The main reasons for significant changes in revenue, operating income, and pre-tax net income in the past two years, as well as the expected sales volume and its basis, the possible impact on the Company's future financial operations, and the response plan.

A. Comparative Analysis of Operating Results.

Unit: NT\$1,000; %

Item \ Year	2024	2023	Amount Increased or Decreased	Change Ratio
Sales Revenue	1,614,880	1,288,950	325,930	25%
Cost of Sales	1,461,996	1,199,994	262,002	22%
Merchandise Sales	152,884	88,956	63,928	72%
Operating Expenses	233,824	283,940	(50,116)	-18%
Operating Profit (Loss)	(80,940)	(194,984)	114,044	58%
Non-operating Income and Expenses	241,638	(21,256)	262,894	-1237%
Less: Income Tax Expense	(33,062)	17,585	(50,647)	-288%
Current Net Profit	127,636	(198,655)	326,291	164%
Other Comprehensive Income (Net Amount After Tax)	89,164	(6,962)	96,126	1381%
Total Comprehensive Income for the Period	216,800	(205,617)	422,417	205%

Explanation of Significant Increase/Decrease in Ratio

1. Sales revenues, cost of goods sold, and gross profit decreased mainly because of (1) a NT\$ 4.15-million increase from the thin film department; (2) a NT\$ 25.47-million increase from the auto electronics department; and (3) a NT\$ 2.97-million increase from the special vehicle department.
2. Increase in non-operating income and expenses was mainly due to the disposal of land.
3. Income tax expenses decreased mainly due to the current income tax on the Company's 2024 earnings.
4. Other comprehensive income (net amount after tax): The difference was explained by the increase of exchange differences on translation of financial statements of foreign subsidiaries.

B. Potential Impact on the Company's Future Financial Operations: No significant impact.

C. Future Action Plan: Not applicable.

3. Cash flow

Analysis of recent year's cash flow changes, plan for improving insufficient liquidity, and analysis of future one-year cash flow liquidity.

(1) Cash Flow Analysis

Unit: NT\$1,000

Year Item	2024	2023	Amount Increased (Decreased)	Percentage Increased/Decreased (%)
Cash Flows from Operating Activities	(34,365)	40,523	(74,888)	-185%
Cash Flow from Investing Activities	215,882	97,720	118,162	121%
Cash Flows from Financing Activities	(307,581)	(11,102)	(296,479)	2671%

Analysis of Recent Year's Cash Flow Changes:

1. Operating activities: Net cash inflow from operating activities decreased in 2024 compared to 2023 was mainly due to the decrease in accounts receivable collections and the increase in inventories due to stocking in 2024.
2. Investing Activities: There was a net cash inflow from investing activities in 2024, mainly attributable to the disposal of land in 2024.
3. Financing activities: Net cash outflow from financing activities decreased in 2024 compared to 2023, which was mainly due to the redemption of convertible bonds and repayment of bank loans in 2024.

(2) Cash Insufficiency Improvement Plan: There is no cash insufficiency situation, therefore no improvement plan is required.

(3) Analysis of Future One-Year Cash Liquidity

Unit: NT\$1,000

Beginning Cash Balance A	Projected Annual Net Cash Flow from Operating Activities B	Projected Annual Cash Inflows C	Projected Cash Surplus (Shortfall) A + B + C	Remedial Measures for Cash Shortfall	
				Investment Plan	Financial Management Plan
669,776	(58,198)	(53,248)	558,330	-	-

Explanations:

1. Analysis of Cash Position for the Year 2025:
 - (1) Operating Activities: The net cash outflows is mainly due to payments for operating requirements.
 - (2) Investing activities: The net cash outflow is mainly due to purchase of equipment.
 - (3) Financing activities: The net cash inflow is mainly due to borrowings from banks.
2. Remedial Measures for Projected Cash Shortfall and Liquidity Analysis: There is no projected cash shortfall.

4. Impact of Significant Capital Expenditures on Financial Operations in the Most Recent Year: None.
5. Recent Changes in Investment Policy, Major Reasons for Profit or Loss, Improvement Plans, and Future Investment Plans:

The company's investments accounted for using the equity method are all based on long-term strategic purposes. In the year 2024, the Company incurred a loss of NT\$15,410 thousand from investments accounted for using the equity method, which decreased compared to the previous year. The main reason for this decrease was the increase of revenues among subsidiaries in 2024. The company will continue to adopt a long-term strategic investment approach when using the equity method for investments and will continually assess investment plans with caution.

6. Risk factors should be analyzed and evaluated for the following items in the latest fiscal year and up to the date of publication of the annual report:

- (1) Impact of interest rates, exchange rates, and inflation on the Company's income and measures to be taken in the future :

As the Company's procurement and sales are mainly conducted in foreign currencies, exchange rate fluctuations have a partial impact on the Company's revenue and profitability. Depreciation of the New Taiwan Dollar (NT\$) enhances the Company's revenue and profitability, while appreciation of the NT\$ erodes the Company's revenue and profitability. To mitigate exchange rate risks, the Company not only conducts its own analysis and judgment of exchange rate trends but also primarily engages in forward foreign exchange contracts to hedge against exchange rate volatility. The company's bank borrowings mostly have fixed interest rates, and the interest rate changes have a minimal impact as the interest rates are relatively low. However, since the Company's main source of profitability still comes from its core business, the direct impact of interest rate fluctuations on the Company is not significant.

- (2) Policies, main reasons for profit or loss, and future response measures for engaging in high-risk, high-leverage investments, lending funds to others, endorsing guarantees, and trading in derivative financial products are analyzed and evaluated on an annual basis and up until the date of the annual report :

The company is committed to the development of its core business and therefore does not engage in high-risk, highly leveraged investments, or transactions involving derivative instruments.

- (3) The company's future research and development plans and the expected R&D expenses to be invested :

Shun On Electronic will conduct R&D of autonomous driving/intelligent cockpit sensors and domain controllers for application in low-speed vehicles, and will master core technologies such as hardware, software and algorithms. The Group expects to invest approximately NT\$77,352 thousand in R&D in automotive electronics in 2025.

- (4) Impact of Important Changes in Domestic and International Policies and Regulations on Corporate Finance and Sales, and Response Strategies:

The company has established a legal department and conducts its daily operations in compliance with relevant domestic and international laws and regulations. It closely monitors the development trends of domestic and international policies and regulatory changes, collects relevant information for management decision-making, and takes appropriate measures to address significant policy and legal changes. Thus far, these changes have not had a significant impact on the Company's financial operations.

- (5) The impact of technological changes and industry transformations on the Company's financial operations, as well as the corresponding measures: The company keeps a close eye on technological changes in its industry, monitors market trends, and evaluates their impact on the Company's operations. It makes necessary operational adjustments, adheres to government laws and regulations, and continuously enhances its management capabilities. The company's employees strive to achieve profitability goals and fulfill their responsibilities to all shareholders. In the recent financial year and up to the date of the annual report printing, there have been no significant technological changes or industry transformations that would have a major impact on the Company's financial operations.

- (6) The impact of changes in corporate image on crisis management and the corresponding measures:

Since its establishment, the Company has been committed to sustainable business practices and corporate social responsibility. It adheres to government laws and regulations, continuously enhances its management capabilities, and strives to achieve profitability goals. These efforts are undertaken to fulfill its responsibilities to all shareholders. In the future, the Company will focus on resource recycling and move towards the goal of a circular economy and the utilization of waste materials. In the most recent fiscal year and up to the date of printing this annual report, the Company has not experienced any incidents that would result in changes to its corporate image or pose a corporate crisis.

- (7) Expected benefits, potential risks, and response measures regarding mergers and acquisitions:

As of the date of printing this prospectus, the Company does not have any plans to acquire other companies. In the future, if there are plans for mergers and acquisitions, the Company will comply with relevant laws and regulations such as the Company Act and the Mergers and Acquisitions Act. A cautious evaluation approach will be adopted, taking into account the overall synergies of the merger to ensure the protection of shareholders' rights and interests.

- (8) Expected benefits, potential risks, and response measures regarding the expansion of factory premises:

The company ensures that all capacity expansion initiatives are thoroughly planned, carefully evaluated, and executed with professionalism. The execution process is closely monitored, taking into account industry changes, to ensure the achievement of estimated benefits and to mitigate potential risks.

- (9) Risks and response measures related to concentrated procurement or sales: None.
- 1) Procurement:
The company's procurement is diversified among various suppliers. In addition to maintaining good relationships with existing suppliers, key raw materials are sourced from multiple suppliers, reducing the risk of concentrated procurement.
 - 2) Sales:
The company's sales involve multiple approved manufacturers for each specific product. Competitive bidding is employed, which enhances the Company's sales revenue from valuable assets.
- (10) The impact, risks, and response measures regarding substantial transfers or changes in ownership of shares by directors or shareholders holding more than ten percent of the Company's equity:
- As of the date of the annual report printing, there had been no significant transfers of shares exceeding 10% of the Company's capital by directors or shareholders holding more than 10% of the Company's equity. o
- (11) There are no impacts or risks associated with changes in ownership rights on the Company's operations.
- As of the date of the annual report printing, there have been no changes in ownership rights.
- (12) Litigation or non-litigation events involving the Company, directors, general manager, person-in-charge, substantial shareholders holding more than ten percent of the shares, and subsidiary companies that have been definitively judged or are pending, and whose outcomes may have a significant impact on shareholder rights or securities prices, should disclose the disputed facts, claim amounts, commencement dates, major parties involved, and the status of handling as of the date of the annual report printing: None.
- (13) Other significant risks and response measures. Information security risks and response measures:
- The company's information management unit is responsible for establishing information security management goals and policies. Regular reviews are conducted on internal and external information security threats, presenting information security risk and control assessment reports to ensure the effectiveness of information security. Audit personnel regularly perform information security audits to examine the implementation of access privileges and information security management systems, ensuring the proper functioning of information systems and business operations.
- The company implements the following protective measures related to information security:
- 1) Information security risk management: Assessing the level of internal and external information security threats and proactively proposing risk control measures to mitigate the risks.

- 2) Computer system virus management: Installing legitimate antivirus software, daily updates of virus definitions, and regular scans to strengthen email security and control virus threats.
- 3) Network security management: Implementing proactive firewall protection against network layer attacks, segregating production line network systems, and regularly monitoring network attack incidents to adopt proactive defense measures.
- 4) System access control and maintenance security management: Regularly checking access permissions and managing user passwords.
- 5) Business continuity planning: Assessing the impact of personnel and natural disasters on the Company's normal operations, implementing off-site backup of critical data, installing backup power sources to prevent losses caused by power outages, and establishing emergency response measures and information recovery procedures.
- 6) Information security education and training: Publishing the Shun On Electronic Information Security Management Handbook, conducting regular awareness programs on information security, and providing employee information security training activities.

In the recent fiscal year and up to the date of printing this annual report, the Company has not experienced any significant network attacks that have impacted on its operations.

(14) Other significant risks and response measures: None.

7. Other Important Matters: None.

VI. Special notes

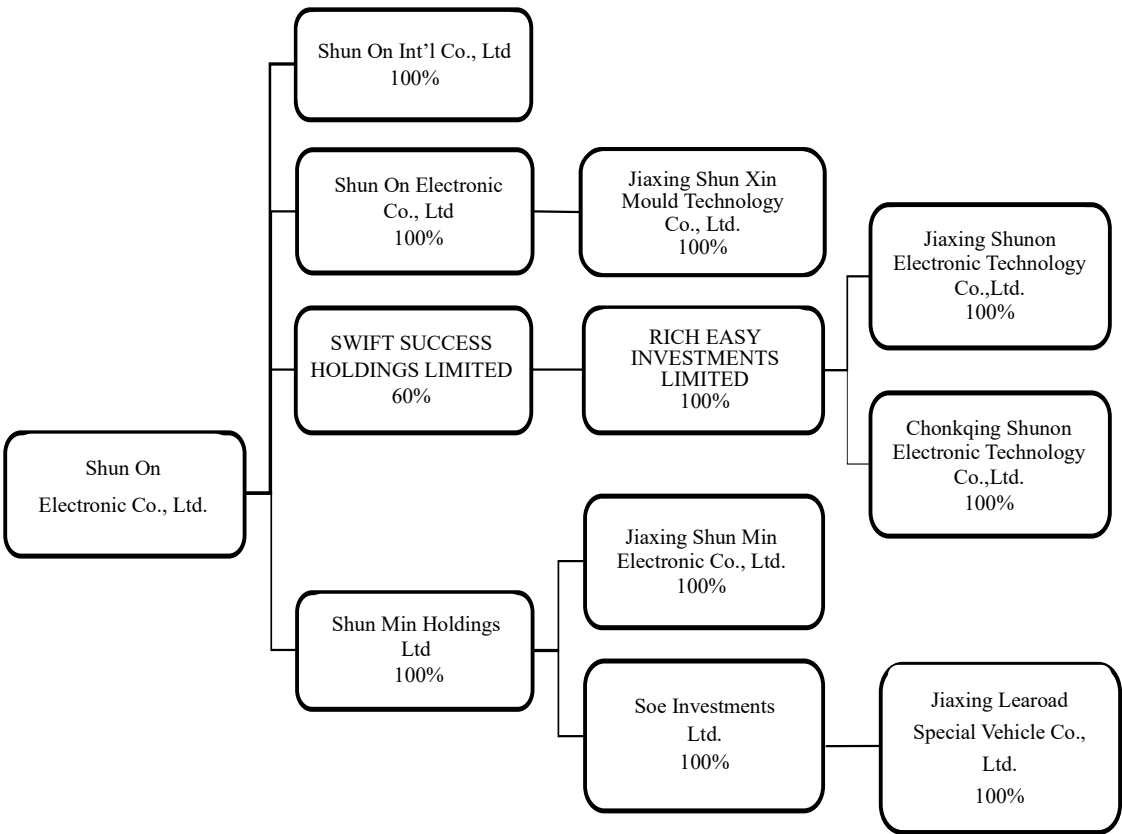
1. Related party information

(1) Report on the Operating Results of Related Companies

1) Overview of Related Companies

A. Diagram of Related Companies

March 13, 2025



B. RELATED PARTY INFORMATION

December 31, 2024

Company name	Date of establishment	Address	Amount of paid-up capital	Main business or production projects
Shun On Electronic Co., Ltd	2000.11.06	31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KYI -1205 Cayman Islands	USD 3,835	Various investment businesses and trade operations.
SWIFT SUCCESS HOLDINGS LIMITED	2002.08.23	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	USD 12,175	Various portfolio investment businesses.
RICH EASY INVESTMENTS LIMITED	2001.03.22	31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KYI -1205 Cayman Islands	USD 12,134	Various portfolio investment businesses.
Jiaxing Shunon Electronic Technology Co.,Ltd.	2002.12.03	No. 738, Zhengyuan Road, Tanghui Street, Xiuzhou District, Jiaxing City, Zhejiang Province, China	RMB 83,682	Operation of printed circuit board and other switch manufacturing and distribution businesses.
Chonkqing Shunon Electronic Technology Co.,Ltd.	2012.01.30	No.2 Building, Block A, Standard Factory, Jiujiang Avenue, Jiangjin District, Chongqing City, China	RMB 6,252	Operation of printed circuit board and other switch manufacturing and distribution businesses.
Jiaxing Shun Xin Mould Technology Co., Ltd.	2018.01.14	No. 565, Bazhi Road, Gaozhao Street, Xiuzhou District, Jiaxing City, Zhejiang Province, China	RMB 1,261	Intelligent mold design, research and development, and related technical consulting services and trading businesses.
Shun Min Holdings Ltd	2019.01.18	Vistra Corporate Service Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	USD 33,200	Various portfolio investment businesses.
Soe Investments Ltd.	2019.03.22	Room B701-J, Building 1, Business and Finance Building, Jiaxing International Financial Plaza, Jiaxing Economic and Technological Development Zone, Zhejiang Province, China	RMB 67,024	Various portfolio investment businesses.
Jiaxing Shun Min Electronic Co., Ltd.	2020.05.06	No. 4 Building, No. 1007, Weisheng Road, Gaozhao Street, Xiuzhou District, Jiaxing City, Zhejiang Province, China	RMB 102,741	Operation of design and distribution businesses for automotive electronic products.
Min Yih Electronic Co., Ltd. (Note 1)	-	-	-	-
Jiaxing Learoad Special Vehicle Co., Ltd. (Note 2)	2020.06.09	No. 1 Building, No. 1007, Weisheng Road, Gaozhao Street, Xiuzhou District, Jiaxing City, Zhejiang Province, China	RMB 44,500	R&D, design, production and sales of golf carts, tool vehicles and other electric vehicles.

Note 1: Min Yih Electronic, a subsidiary of the Group, was dissolved and liquidated at the end of June 2024.

Note 2: Soe Investments Ltd., a subsidiary of the Group, acquired 100% equity interest in Jiaxing Learoad, a subsidiary of the Group at the end of October 2024.

C. Information on identical shareholders presumed to be in a controlling and subordinate relationship

Not applicable

D. Industries Covered by the Business Operation of the Affiliates as a Whole

The industries covered by the business operations of the affiliates as a whole mainly include:

- General investment.
- Operation of printed circuit board and other switch manufacturing and distribution businesses.
- Operation of design and distribution businesses for automotive electronic products.
- R&D, design, production and sales of golf carts, tool vehicles and other electric vehicles.
- Intelligent mold design, research and development, and related technical consulting services and trading businesses.

Details of major business or production items of each affiliate are summarized in previous section B. Basic information of each affiliate.

The division of labor among affiliates:

Each affiliate operates independently of the others, but some of the affiliates may engage in transactions such as purchases and sales.

E. Information on Director, Supervisor and General Manager of Each Affiliate

December 31, 2024

Unit: NT\$1,000; Thousand Shares; %

Company Name	Title (Note 1)	Name and Corporate Representative	Shareholding	
			Thousand Shares/NT\$1,000	Shareholding Ratio
Shun On Electronic Co., Ltd	Director	Kuo-Feng Chin	-	-
Jiaxing Shun Xin Mould Technology Co., Ltd.	Director Supervisor	Kuo-Feng Chin Yi-Hui Yeh	-	-
SWIFT SUCCESS HOLDINGS LIMITED	Director	Kuo-Feng Chin	-	-
RICH EASY INVESTMENTS LIMITED	Director	Kuo-Feng Chin	-	-
Jiaxing Shunon Electronic Technology Co.,Ltd.	Chairman Director Director Supervisor	Chin-Chung Lu Kuo-Feng Chin Feng-Nan Hsu Yi-Hui Yeh	-	-
Chonkqing Shunon Electronic Technology Co.,Ltd.	Chairman Director Director Supervisor	Chin-Chung Lu Kuo-Feng Chin Feng-Nan Hsu Yi-Hui Yeh	-	-

Company Name	Title (Note 1)	Name and Corporate Representative	Shareholding	
			Thousand Shares/NT\$1,000	Shareholding Ratio
Shun Min Holdings Ltd	Director	Kuo-Feng Chin	-	-
Soe Investments Ltd.	Director Supervisor	Kuan-Neng Chen Yi-Hui Yeh	-	-
Jiaxing Shun Min Electronic Co., Ltd.	Director Supervisor	Jong-Hwa Chin Yi-Hui Yeh	-	-
Jiaxing Learoad Special Vehicle Co., Ltd.	Director Supervisor	Jong-Hwa Chin Yi-Hui Yeh	-	-

Note 1: If the affiliate is a foreign company, the equivalent position is listed.

Note 2: Min Yih Electronic, a subsidiary of the Group, was dissolved and liquidated at the end of June 2024.

F. Overview of the operations of the related enterprise

Unit: NT\$1,000

December 31, 2024

Company Name	Amount of Capital	Total Assets	Total Liabilities	Net worth	Operating Income	Operating Profit	Net Profit For The Current Period (After Tax)	Earnings Per Share (NT\$; After Tax)
Shun On Electronic Co., Ltd	125,759	101,728	353	101,375	-	(1,475)	4,216	N/A
SWIFT SUCCESSS HOLDINGS LIMITED	399,157	630,208	-	630,208	-	-	41,927	N/A
RICH EASY INVESTMENTS LIMITED	397,813	630,186	-	630,186	-	-	41,927	N/A
Jiaxing Shunon Electronic Technology Co.,Ltd.	381,659	935,131	233,293	701,838	1,037,423	46,972	62,608	N/A
Chonqing Shunon Electronic Technology Co.,Ltd.	28,514	66,904	138,556	(71,652)	183,379	(23,271)	(20,681)	N/A
Jiaxing Shun Xin Mould Technology Co., Ltd.	5,751	4,827	21,587	(16,760)	-	-	(314)	N/A
Shun Min Holdings Ltd	1,121,247	878,940	-	878,940	-	(4)	(42,906)	N/A
Soe Investments Ltd.	305,684	378,474	4,569	373,905	-	(55)	17,195	N/A
Jiaxing Shun Min Electronic Co., Ltd.	468,583	582,183	379,272	202,911	516,247	(44,416)	(42,553)	N/A
Min Yih Electronic Co., Ltd. (Note)	-	-	-	-	-	(14)	(3,673)	N/A
Jiaxing Learoad Special Vehicle Co., Ltd.	114,021	471,496	392,592	78,904	29,725	(23,413)	(18,477)	N/A

Note 1: Note: Min Yih Electronic, a subsidiary of the Group, was dissolved and liquidated at the end of June 2024.

- (2) Consolidated financial statements of related parties: Please refer to page 87 of the annual report.
- (3) Report on Related Companies: As our company does not have any subsidiary companies, there is no need to prepare such a report.
- 2. For the recent fiscal year and up to the date of printing of the annual report, there have been no transactions involving privately placed securities: None.
- 3. Holdings or Disposals of our company's stock by subsidiary companies in the most recent fiscal year and up to the date of this annual report: Not applicable.
- 4. Other special disclosures: None.

VII. In the recent year and up to the date of printing of the annual report, there have been no significant events that would have a major impact on shareholder equity or security prices as defined in Article 36, Paragraph 2, Clause 2 of this Law: None

Statement of consolidated financial statements of related enterprises

For the fiscal year 2024 (from January 1, 2024 to December 31, 2024), both the companies required to prepare a Report on the Operating Results of Related Companies according to the "Guidelines for the Preparation of Reports on the Operating Results of Related Companies, Financial Statements of Related Company Mergers, and Reports on Related Companies" and the companies required to prepare consolidated financial statements of parent and subsidiary companies under International Financial Reporting Standard No. 10 are the same. Additionally, the relevant information that should be disclosed in the Report on the Operating Results of Related Companies has already been disclosed in the aforementioned consolidated financial statements of parent and subsidiary companies. Therefore, there is no separate preparation of a Report on the Operating Results of Related Companies.

It is hereby declared

Company name: Shun On Electronic Co., Ltd.

Chairman: Jong-Hwa Chin

March 11, 2025

SHUN ON ELECTRONIC CO., LTD.

Chairman Jong-Hwa Chin



淳安電子

SHUN ON ELECTRONIC CO., LTD.