Stock Code: 6591

SUN MAX TECH LIMITED

2024 Annual Report

Notice to readers
This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Taiwan Stock Exchange Market Observation Post System:
https://mops.twse.com.tw
2024 Annual Report is available at: http://www.sun-max.com.tw
Date of publication：April 20, 2025

I. (Spokesperson and Deputy Spokesperson:

Item	Spokesperson	Acting Spokesman
Name	YAO, Cheng-Min	To be supplemented
Title	Executive Vice President	To be supplemented
TEL	(886)2-8226-3300	(886)2-8226-3300
E-mail address	cfo@powerlogic.tw	IR@powerlogic.tw

II. Address and telephone number of the Head Office and branches

(I) Head office

Name: Sun Max Tech Limited Website:http://www.sun-max.com.tw
Address: The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman KY1-1208, Cayman Islands. Tel: (886)2-8226-3300

(II) Taiwan Office

Name: POWER LOGIC TECH. INC Website:
Address: 9F, 9-1F, No. 166, Jian 1st Rd., Zhonghe Dist., New Taipei City Tel: (886)2-8226-3300

(III) Subsidiaries, Sub-subsidiary

Name: United Strategy INC. Website:
Address: Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa Tel: (886)2-8226-3300
Name: POWER LOGIC HOLDINGS INC. Website:
Address: Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa Tel: (886)2-8226-3300
Name: Sunnny Sharp International Limited Website:
Address: Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, British Virgin Islands VG1110 Tel: (886)2-8226-3300
Name: POWER LOGIC TECH. INC
Address: 9F, 9-1F, No. 166, Jian 1st Rd., Zhonghe Dist., New Taipei City Tel: (886)2-8226-3300
Name: DONG GUAN DONG LI DIAN ZI CO. LTD Website:
Address: Room 101, Building 2, No. 19, Tianheng Road, Tianwei Village, Changping Town, Dongguan City, Guangdong Province, China Tel: (86)769-3339-6200
Name: POWER LOGIC TECH (TAI YI) CO., LTD. Website:
(The cancellation registration of POWER LOGIC (YI QUAN) CO., LTD. was completed in June 2024.) Tel: (86)769-8293-9380
Address: Room 101, Building 1, No. 19, Tianheng Road, Tianwei Village, Changping Town, Dongguan City, Guangdong Province, China
Name: Taiyi (Jiangxi) Electronic Technology Co., Ltd. Website:
Address: Anfu Industrial Park, Jiangxi Province Tel: (86)796-7362-666
Name: CICHENG TECHNOLOGY CO., LTD. Website:
Address: No. 9, Ln. 39, Sec. 2, Zhongshan Rd., Guanyin Dist., Taoyuan City Tel: (886)-3-2825-198

III. Shares Registrar:

Name: Share Administration Department, Concord Securities Co., Ltd. Website: http://www.concords.com.tw
Address: B1F., No. 176, Sec. 1, Keelung Rd., Taipei City Tel: (886)2-8787-1888

IV. Independent auditor for the financial report of the most recent year

Accountant Name: CPA Tung-Ju Hsieh and CPA Wangsheng Lin
Website: ttps://www.deloitte.com.tw
Name of CPA: Deloitte & Touche
Address: 20F., No. 100, Songren Rd., Xinyi Dist., Taipei City
Tel: (886)2-2725 9988

V. Name of the overseas stock exchange: None

VI. The Company's Website: http://www.sun-max.com.tw

VII. The name, job title, contact number, and email of the designated domestic agent

Name: HSU Wen-Faung
Title: Chairman
Tel: (886)2-8226-3300
Email: agents@powerlogic.tw

VIII. List of Company's Board of Directors

Title	Name	Nationality or place of registration	Major (academic degree) experience
Chairman	SINOTEAM HOLDINGS INC.	Samoa	-
	Representative: HSU Wen-Faung	R.O.C.	Department of Civil Engineering, Tamkang University Engineer of CTCI Advanced Systems Inc. Director of Hefeng Construction Co., Ltd. Director of Hefeng Construction Co., Ltd.
Director	LAI, Jen-Chung	R.O.C.	Taipei Municipal Chenggong High School Sales Manager of Hefeng Construction Co., Ltd. Chairman, Kandlee Trading Co., Ltd. Division Manager of CviLux Corporation
Director	LUXURY SHINE INTERNATIONAL LIMITED	Samoa	Shih Chien College of Home Economics Group secretary, SUN MAX TECH LIMITED
Director	Chang Yuan-Fen	R.O.C.	
Independent director	CHEN, Tien-Szu	R.O.C.	Department of Electronics Engineering, NCTU Vice President of Cameo Corporation
Independent director	CHIU, Shih-Fang	R.O.C.	Department of Law, National Chung Hsing University Attorney of PwC Legal Managing Attorney of De Kai Law Firm
Independent director	HSIEH, Yu-Tien	R.O.C.	Master's Program of Business Management, Chinese Culture University Assistant Officer of the Administration Office of the Bank of Communications Assistant Vice President of Jien Hung International Securities and Investment Consulting Co., Ltd. Lecturer of Department of Business Administration of Shih Chien University
Independent director	Kuan Chih-Liang	R.O.C.	Ph.D. in Business Administration, National Chengchi University EMBA Director, College of Humanities and Management, National Ilan University Director and Graduate Program Director, School of Applied Economics and Business Administration, National Ilan University Dean of Academic Affairs, Kainan University Strategy Mentor, Wolfnet Start Up A+ On-Site Incubator and Consulting Program Brand Innovation Think Tank, General Chamber of Commerce of the Republic of China

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I. Message to the Shareholders

Dear shareholders,

In 2024, with global inflation easing and strong demand for AI-related products, the graphics card market experienced a relatively stable year. The Company's revenue is slightly reduced by 8.53% compared to the same period of last year. As innovative technologies such as AI and machine learning continue to change the global industrial development, which has caused a huge impact on the supply chain and faced many operational challenges, the Company has improved production efficiency through the smart manufacturing process, saved costs and automated production processes. The reason is to maintain stable profitability in return to shareholders' support and love. It has also developed applications for automotive seats, headlights, audio-video systems, air conditioning system fans, and expanded the application of automotive fans, while entering the market for high-end cooling fans for small and medium-sized AI servers. It is expected that this will gradually take shape over the next year, which is anticipated to increase the proportion of fans not used in graphics card.

I. 2024 business overview

(I) Financial Performance:

(1) Consolidated operating revenues and net profit after tax

Unit: NTD thousand

Item	2024	%	2023	%	Increase (decrease) in amount	Variation
Operating revenue	1,262,815	100.00	1,382,210	100.00	(119,395)	(8.64)
Gross profit	334,437	26.48	390,973	28.29	(56,536)	(14.46)
Profit from operations	59,440	4.71	122,331	8.85	(62,891)	(51.41)
Profit after income tax	118,284	9.37	118,311	8.56	(27)	(0.02)

The gross profit margin was 26.48% in 2024, representing a decrease of 1.81% from the 28.29% in the year before; the operating net profit margin was 4.71%, representing a decrease of 4.14% from the 8.85% in the year before; the net income rate was 9.37%, representing an increase of 0.81% from the 8.56% in the year before.

(2) Profitability

Item	2024	2023
ROA (%)	4.48	4.64
Return on shareholders' equity (%)	6.40	6.77
Net profit rate (%)	9.37	8.56
Earnings per share (NT$)	3.21	3.40

(3) Budget implementation: Not applicable (the Company did not prepare a financial forecast for the year of 2024)

(II) Research and development:

(1) The number of new patents added to the fan structure category in 2024 was 46. As of the end of 2024, the Company has acquired 1 case of practical invention patent in China, 118 cases of new type patents, 12 cases of appearance design, 8 cases of Taiwan invention patents, 143 cases of new type patents, and 16 cases of new type/design patents. The R&D expenses in 2024 were NTD 88,143 thousand, an increase of 28.58% from NTD 68,551

thousand in the previous year, accounting for 6.98% and 4.96% of the operating revenue, respectively.

(2) We will continue to strengthen the R&D advantages by acquiring relevant facilities and cultivating and recruiting a pool of specialized professionals and talents. In the meantime, we will expand horizontally under the e-sport industries, as well as tap into the fields of servers and vehicle-mounted cooling applications for greater efficiency and revenue targets.

II. Summary of 2025 business plan

(I) 2025 business strategy:

(1) The Company will continue to deepen its cooperation with existing customers, refine its service strategy, and develop new industrial fields to capture opportunities and expand its business scale.

(2) We will continue to improve the efficiency of production capacity utilization and maintain a robust quality management system to meet customer requirements and services. Additionally, we aim to help the manufacturing process become automated, digitized, and intelligent to address future market needs.

(3) Continue to recruit outstanding R&D personnel, strengthen the organization of the R&D department, and develop new products and technologies to enhance the Company's core competitiveness.

(4) We will continue the R&D projects that closely track customer needs and the market trends with the established and completed simulation and testing facilities to ensure sound product quality to our customers.

(II) Sales volume forecast and the basis thereof: The Company does not disclose its financial forecast to the public; therefore, this item is not applicable.

(III) Other important production and sales policies:

(1) Adjust the inventory status in response to the changes in customer demand and market demand, and keep track of the delivery time to satisfy customer demand.

(2) The Company will continue to explore new customer groups and maintain close cooperation with existing customers. We will strive to improve the quality and efficiency of every step of the process, from new product design to high-efficiency product manufacturing in order to satisfy customers' needs and expectations.

(3) The Company will continue to expand its operations by improving product quality and efficient production capacity, and reduce costs and improve the Company's competitiveness through effective internal control and supply chain management.

(4) Review the market product development trends, pay attention to the condition of supply and demand, and research and optimize the product development process.

(5) Provide a variety of system cooling solutions to meet the different needs of our customers and diversify our product line

III. The Company's future development strategy:

(I) Maintain good relationship with customers, expand product service scope and industrial categories according to customer needs, and share revenue growth performance with customers.

(II) Continue to replace equipment in the factory, and gradually introduce semi-automatic or automated equipment. In addition to reducing labor costs and error rates, the use of MES software tools also leads to controlled data and process refinement, helping to achieve the goals of energy savings and output maximization.

(III) We will boost the momentum for patent creations and business innovations to serve our global customers with the capacity to compete locally.

(IV) Continue to refine the research and development of heat dissipation products, such as AI PCs and servers, to meet business needs related to customer growth and to increase market demand for servers.

(V) Promote various ESG activities, pursue development while pursuing environmental, social and corporate governance, and exert their influence, to fulfill corporate social responsibility.

IV. Impacts by the external competitive environment, regulatory environment and overall business environment:

Looking ahead to 2025, the launch of new-generation high-end graphics cards by NVIDIA and AMD is expected to drive a wave of PCB replacements. Meanwhile, the launch of e-sports PCs and graphics card shipments in 2025 is expected to further boost sales of the Company's main product, the cooling fan for graphics cards. Therefore, the Company is optimistic about revenue growth in 2025 and hopes that the automotive industry and server cooling fans will gradually contribute to revenue.

Although global inflation is easing, the global economy is not in recession; however, the risk of decline is significantly increasing. In the future, the world may be trapped in a low growth and high debt situation. The world is currently experiencing a period of interest rate cuts. The return of former U.S. President Trump is expected to lead to another significant shift in domestic and foreign policies and intensify ongoing geopolitical conflicts. The global economic and political uncertainties and instability are becoming increasingly exacerbated. The global economy is expected to face adjustment pressures in 2025 due to factors such as high costs, high debt, and aggravated protectionism. The management team of the Company will also face various challenges.

Finally, we would like to thank all shareholders for your support and encouragement in the past and look forward to your continued guidance and support in the coming year. The company's management team will present the fruitful results and share the results with you based on the same operating philosophies and new innovations.

Chairman: SINOTEAM HOLDINGS INC

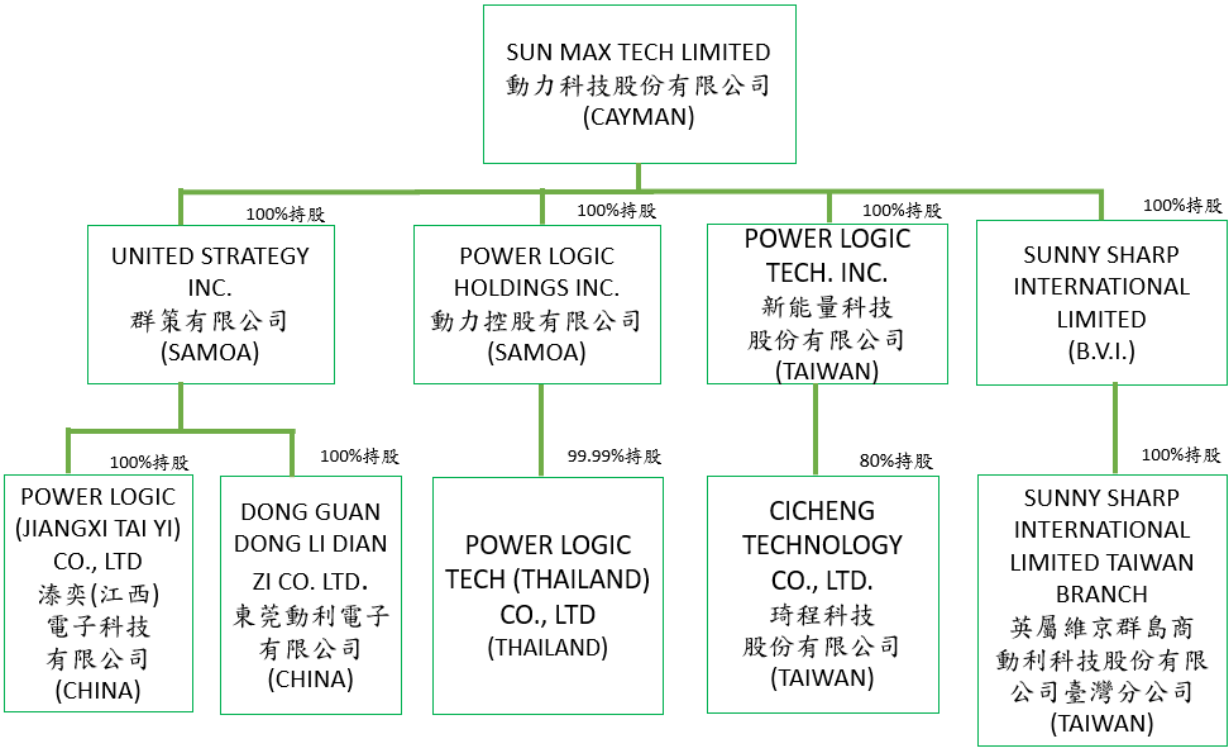
Legal representative: HSU Wen-Faung

Company Profile

I. Company and group profile

SUN MAX TECH LIMITED (hereinafter referred to as Sun Max or the Company,) is established by HSU Wen-Faung under British Cayman Islands (Cayman Islands, hereafter). The Company was funded by the founder and shareholders in 1998, specializing in cooling fan R&D, production and distribution. As of May 31, 2025, the Company had a total paid-in capital of NT$ 378,992,070 元. Our group structure starts from the holding company, UNITED STRATEGY INC, a Samoa registered entity. It invests and controls the following subsidiaries. The cooler manufacturing and selling units are Taiyi (Jiangxi) Electronic Technology Co., Ltd. and Dongguan Power Logic Co., Ltd. in China. A Taiwan branch, Power Logic Tech. Inc., focuses on finance and information integration operations and is the R&D center for the group. For the distribution to the U.S., European and Asian regions, it is administered by Sunny Sharp International Limited Taiwan Branch (British Islands Registered). In the meantime, Taiyi (Jiangxi) Electronic Technology Co., Ltd. Chichen Technology Co. Ltd is in charge of the production of the key components.

II. Group structure



Note: POWER LOGIC TECH (THAILAND) CO., LTD was established on April 11, 2025.

III. Date of establishment

The company was established on November 28, 2013.

IV. Organization and operations

Year	Milestones
1998	Power Logic Tech. Inc. was established in New Taipei City.
1998	Huangjiang Power Electronic Products Factory was established.
1998	Passed the certification of ISO9001
2003	UNITED STRATEGY INC.was registered and set up in Samoa.
2003	Dongguan Power Logic Co., Ltd. was 100% invested by UNITED STRATEGY INC. and established in Guangdong Province as a leading manufacturer of cooling fans.
2005	ISO 14001 certified
2007	We are a qualified supplier for AMD, and officially entered the area of graphics cards fans.
2008	Registered POWER LOGIC HOLDING INC. in Samoa.
2009	Huangjiang Power Electronic Products Factory was merged by DONG GUAN DONG LI DIAN ZI CO. LTD.
2013	The parent company, SUN MAX TECH LIMITED, was established with an organizational restructure initiated at the same time, and the subsidiaries merged.
2014	POWER LOGIC TECH (TAI YI) CO., LTD. located in Guangdong Province was 100% invested in by Power Logic Holding Inc.
2015	Sunny Sharp International Limited was registered and established in B.V.I.
2015	SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH was established in New Taipei City.
2016	SUN MAX TECH LIMITED, the parent company, was approved for public trade on 11/16/2016.
2016	SUN MAX TECH LIMITED, the parent company, was approved for registration on the emerging market on 11/30/2016. (Stock No.: 6591)
2016	POWER LOGIC TECH (TAI YI) CO., LTD. expanded and relocated its factory to Building 2, No. 3, Chaioshing West 2nd Road, Dazhou Community, Qiaotou Town, Dongguan City.
2017	SUN MAX TECH LIMITED, the parent company, was officially listed on 12/28/2017. (Stock No.: 6591)
2019	Taiyi (Jiangxi) Electronic Technology Co., Ltd. was funded 100% by UNITED STRATEGY, INC for establishing the major production base for the group in Anfu County Industrial Park, Ji'an City, Jiangxi Province.

Year	Milestones
2020	Power Logic (Tai Yi) Co., Ltd was relocated to Room 101, Building 1, No. 19, Tianheng Road, Tianwei Village, Changping Town, Donguan City, Guangdong Province
2021	Invested by the Power Logic Tech. Inc. up to 80% of the total shares to incorporate Cicheng Technology Co., Ltd.
2022	The Taipei operations headquarters, located on the 9F and 9F.-1, No. 166, Jian 1st Rd., Zhonghe Dist., New Taipei City, was acquired and moved in December 2022.
2025	POWER LOGIC TECH (THAILAND) CO., LTD. was established through a reinvestment from POWER LOGIC HOLDINGS INC., located in Thailand.

V. Risk disclosure

Refer to Page 162-166 of the annual report.

II. Corporate Governance

I. Profiles of Directors, Supervisors, President, Executive Vice Presidents, Asst. VP, and supervisors of the various departments and branches

1. Directors and Supervisors:

(1) Name, main experience (education), and shareholding and nature

March 31, 2025; Unit: thousand shares

Title	Nationality or place of registration	Name	Gender Age	Date elected	Duration	Inauguration date	Shares at Election		Current shareholding		Current Shares Held by Spouse & Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Current duties in The Company and in other companies	Other Chief, Supervisors or Directors with a Spousal or Other Immediate Relative			Remarks
							Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding			Title	Name	Relation	
Chairman	Samoa	SINOTEAM HOLDINGS INC.		2022/05/31	3	2014/12/31	6,356	19.80%	6,673	17.61%	0	0%	0	0%		-	None	None	None	
	R.O.C.	Representative HSU Wen-Faung	Male 63				1,112	3.47%	1,195	3.15%	199	0.53%	0	0%	Department of Civil Engineering, Tamkang University Engineer of CTCI Advanced Systems Inc. Director of Hefeng Construction Co., Ltd. Director of Hefeng Construction Co., Ltd.	Note 2	Director	Chang Yuan-Fen	Spouse	Note 1
Director	R.O.C.	LAI, Jen-Chung	Male 63	2022/05/31	3	2016/4/30	378	1.18%	397	1.05%	0	0%	0	0%	Taipei Municipal Chenggong High School Sales Manager of Hefeng Construction Co., Ltd. Supervisor of Power Logic Tech. Inc. Chairman, Kandlee Trading Co., Ltd. Division Manager of CviLux Corporation	Note 2	None	None	None	
Director	Samoa	LUXURY SHINE INTERNATIONAL LIMITED (Note 3)		2022/5/31	3	2022/05/31	29	0.09%	31	0.08%	0	0%	0	0%			None	None	None	

Title	Nationality or place of registration	Name	Gender Age	Date elected	Duration	Inauguration date	Shares at Election		Current shareholding		Current Shares Held by Spouse & Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Current duties in The Company and in other companies	Other Chief, Supervisors or Directors with a Spousal or Other Immediate Relative			Remarks
							Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding			Title	Name	Relation	
	R.O.C.	Representative Chang Yuan-Fen	Female 60			2022/5/31	180	0.56%	199	0.53%	1,195	3.15%	0	0%	Shih Chien College of Home Economics Group secretary, SUN MAX TECH LIMITED	Note 2	Chairman	HSU Wen-Faung	Spouse	
Independent director	R.O.C.	CHEN, Tien-Szu	Male 63	2022/05/31	3	2016/4/30	0	0%	0	0	0	0%	0	0%	Department of Electronics Engineering, NCTU Vice President of Cameo Corporation	Note 2	None	None	None	
Independent director	R.O.C.	CHIU, Shih-Fang	Male 51	2022/05/31	3	2016/4/30	0	0%	0	0%	0	0%	0	0%	Department of Law, National Chung Hsing University Attorney of PwC Legal Managing Attorney of De Kai Law Firm	Note 2	None	None	None	
Independent director	R.O.C.	HSIEH, Yu-Tien	Male 73	2022/05/31	3	2022/05/31	0	0%	0	0%	0	0%	0	0%	Master's Program of Business Management, Chinese Culture University Assistant Officer of the Administration Office of the Bank of Communications Assistant Vice President of Jien Hung International Securities and Investment Consulting Co., Ltd. Instructor of Jinwen University of Science and Technology Lecturer of Department of Business Administration of Shih Chien University	Note 2	None	None	None	
Independent director	R.O.C.	Kuan Chih-Liang	Male 57	2022/5/31	3	2022/5/31	0	0%	0	0%	0	0%	0	0%	Ph.D. in Business Administration, National Chengchi University EMBA Director, College of Humanities and Management,	Note 2	None	None	None	

Title	Nationality or place of registration	Name	Gender Age	Date elected	Duration	Inauguration date	Shares at Election		Current shareholding		Current Shares Held by Spouse & Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Current duties in The Company and in other companies	Other Chief, Supervisors or Directors with a Spousal or Other Immediate Relative			Remarks
							Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding			Title	Name	Relation	
															National Ilan University Director and Graduate Program Director, School of Applied Economics and Business Administration, National Ilan University Dean of Academic ıan University Strategy Mentor, Wolfnet Start Up A+ On-Site Incubator and Consulting Program Brand Innovation Think Tank, General Chamber of Commerce of the Republic of China					

Note 1: Where the Company's Chair of the Board and General Manager or an equivalent position (the highest managerial officer) are the same person or are spouses or relatives within the first degree of kinship, information relating to reasons, reasonableness, necessity and response measures (such as increasing independent directors, and a majority of the directors may not serve concurrently as an employee or managerial officer) shall be explained:

Reason: Considering the Company's current operation scale and situation, the requirement for professionalism, familiarity to the industry, decision-making ability and long-term business planning and strategy, the Company's Chair of the Board and General Manager is the same person.

Reasonableness: Other than the Chairman and President are the same person and spouses to each other, we have added one more independent director (the total independent member shall not be less than four) to enhance the supervision function from the board. In the meantime, the majority of directors are not concurrently an employee manager of the Company; and the remaining directors are not spouses or relatives within the first degree of kinship. Therefore, the President is for sure able to execute duties according to resolution from the Board. The Board is able to conduct the supervision appropriately and independently.

Necessity: In response to the Company's mid-term human resources and organizational development plan, the status quo is the best for the Company's operational needs.

Countermeasure: The Company has amended the Corporate Governance Best Practice Principles in January 2022. Also a new independent board member was added on May 31, 2022 in the Board election to increase the number of independent members from three to four to follow Article 4 under "Taiwan Stock Exchange Corporation Operating Directions for Compliance with the Establishment of the Board of Directors by TWSE-Listed Companies and the Board's Exercise of Powers."

Note 2: Summary of the directors also assuming a job position with the Company and other companies is as follows:

Title	Name	Current duties in The Company and in other companies
Chairman	SINOTEAM HOLDINGS INC. Representative: HSU Wen-Faung	Sun Max Tech Limited: President SINOTEAM HOLDINGS INC.: President UNITED STRATEGYINC.: President POWER LOGIC HOLDINGS INC.: President Sunny Sharp International Limited.: President POWER LOGIC TECH. INC.: President Sunny Sharp International Limited Taiwan Branch: Litigation and Non-contentious Representative Power Logic Tech. (DongGuan) Inc.: President POWER LOGIC TECH (TAI YI) CO., LTD.: President Taiyi (Jiangxi) Electronic Technology Co., Ltd.: President Chichen Technology Co. Ltd: Representative designated by Power Logic Tech. Inc. LinkCom Manufacturing Co., Ltd.: Independent Director
Director	LAI, Jen-Chung	Power Logic Tech. (DongGuan) Inc.: Supervisor POWER LOGIC TECH (TAI YI) CO., LTD.: Supervisor Tai-Yi (Jiangxi) Electronic Technology Co., Ltd.: Supervisor
Director	LUXURY SHINE INTERNATIONAL LIMITED Representative: Chang Yuan-Fen	SUN MAX TECH, LIMITED: Group secretary
Independent director	CHIU, Shih-Fang	De Kai Law Firm: Managing Attorney Kuangli Photoelectric Technology Co., Ltd.: Independent Director Brighten Optix Co., Ltd.: Independent Director Afang Yunji International Co., Ltd.: Independent director
Independent director	HSIEH, Yu-Tien	KING CORE: Director Taiwan Oasis Technology Co., Ltd.: Independent Director
Independent director	Kuan Chih-Liang	Yat Sing Holdings Limited: Independent Director LinkCom Manufacturing Co., Ltd.: Independent Director Donpon Precision Inc.: Independent Director

(2) Supervisor: The Company has set up an Audit Committee without an appointed supervisor.

(3) Major Shareholders of Corporate Shareholders:

March 31, 2025

Name of incorporated directors	Major Shareholders of Corporate Shareholders
SINOTEAM HOLDINGS INC.	HSU Wen-Faung (100%)
LUXURY SHINE INTERNATIONAL LIMITED	Hsu, Jia-Heng (34%)
	Hsu, Jia-Chen (34%)
	Hsu, Jia-Yun (32%)

(4) The main shareholders of the aforementioned incorporated shareholders: Not applicable.

(5) Continuing education of directors and supervisors in 2024:

Title	Name	Organizer	Course Name	Training date	Training hours
Director	Kuan Chih-Liang	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Director	Kuan Chih-Liang	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Director	CHIU, Shih-Fang	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Director	CHIU, Shih-Fang	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Director	Chang Yuan-Fen	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Director	Chang Yuan-Fen	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Director	HSU Wen-Faung	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Director	HSU Wen-Faung	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Director	CHEN, Tien-Szu	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3

Title	Name	Organizer	Course Name	Training date	Training hours
Director	CHEN, Tien-Szu	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Director	LAI, Jen-Chung	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Director	LAI, Jen-Chung	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Director	HSIEH, Yu-Tien	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Director	HSIEH, Yu-Tien	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3

2. Information on Directors and Supervisors:

(1) Disclosure on directors and supervisors' professional qualification and independence status by independent directors:

Condition / Name	Professional qualification and experience	State of independence	Number of public companies where the person holds the title as independent director
Director SINOTEAM HOLDINGS INC. Representative: HSU Wen-Faung	In abundant outlook toward markets in the international community, diversified thinking mode, profound cultivation of industrial strength, comprehensive business technology & know-how and skill, humanistic literacy as well as management under sound leadership; serving as the chairman of SUN MAX Group and independent director of LinkCom manufacturing Co., Ltd. leadership in business management; serving Does not meet any descriptions stated in Article 30 of The Company Act.	Not applicable	1
Director LAI, Jen-Chung	In possession of abundant hands-on experiences serving with the electronic industry with the effort to offer valid professional advice, rendering tremendous benefits toward the upgrade of the production technology and know-how; serving as the Company's director. Does not meet any descriptions stated in Article 30 of The Company Act.	Not applicable	0
Director LUXURY SHINE INTERNATIONAL LIMITED Representative: Chang Yuan-Fen	Elected as a director of the Company for years of contribution to the Group in various fields and professional opinions offered for improving financial matters. Does not meet any descriptions stated in Article 30 of The Company Act.	Not applicable	-
Independent director CHEN, Tien-Szu	Having served with Cameo Communications, Inc. as a managerial officer in its management, in possession of hands-on experiences	1. The independent statements from the independent directors were submitted at the nomination and election.	0

Condition / Name	Professional qualification and experience	State of independence	Number of public companies where the person holds the title as independent director
	accumulated electronic industry; highly conducive toward the Company in business operations currently serving as the Company's independent director. Does not meet any descriptions stated in Article 30 of The Company Act.	2. In compliance with "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" in a two-year period prior to being elected and the qualifications under Article 3. 3. No more than three consecutive office terms shall be undertaken by any independent board member.	
Independent director CHIU, Shih-Fang	As an Attorney-at-Law having satisfactorily passed the national level examination with official license, currently serving with Derkai Attorneys-at-Law Office as the leading Attorney-at-Law, having successfully guided a good number of companies to be listed in the stock exchanges or OTC, with hands-on experiences accumulated in legal affairs, having appropriately offered professional proposals to the Company, significantly conducive to the Company in its business operations, serving as the Company's independent director. Does not meet any descriptions stated in Article 30 of The Company Act.	1. The independent statements from the independent directors were submitted at the nomination and election. 2. In compliance with "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" in a two-year period prior to being elected and the qualifications under Article 3. 3. No more than three consecutive office terms shall be undertaken by any independent board member.	3
Independent director HSIEH, Yu-Tien	Possesses the professional capacity and relevant working experiences in business, banking business and financial analysis. A former instructor in Chinese Culture University, Jinwen University of Science and the Department of Business Administration, Shih Chien University and Technology. A current independent director of the Company. Does not meet any descriptions stated in Article 30 of The Company Act.	1. The independent statements from the independent directors were submitted at the nomination and election. 2. In compliance with "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" in a two-year period prior to being elected and the qualifications under Article 3.	1

Condition / Name	Professional qualification and experience	State of independence	Number of public companies where the person holds the title as independent director
		3. No more than three consecutive office terms shall be undertaken by any independent board member.	
Independent director Kuan Chih-Liang	Possesses the professional capacity and relevant working experiences in applied economics and business management. Working experience include being Dean of Academic Affairs, Kainan University, Strategy Mentor, Wolfnet Start Up A + On-Site Incubator and Consulting Program Brand Innovation Think Tank, General Chamber of Commerce of the Republic of China. Current Director and Graduate Program Director, School of Applied Economics and Business Administration, National Ilan University and an Independent Director of the Company. Does not meet any descriptions stated in Article 30 of The Company Act.	1. The independent statements from the independent directors were submitted at the nomination and election. 2. In compliance with "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" in a two-year period prior to being elected and the qualifications under Article 3. 3. A new independent board member who has not taken the position for more than three terms.	3

II. Diversity and Independence of the Board of Directors.

(I) Diversification of Board of Directors

In accordance with Article 19 of the Company's "Corporate Governance Best Practice Principles", the composition of the Board of Directors shall take into account diversity, except that the number of directors who are also managerial officers of the Company shall not exceed one-third of the total number of directors, and that the Company shall formulate an appropriate diversity policy with respect to its own operations, business model and development needs, which shall include but not be limited to the following two major criteria:

A. Basic conditions and values: Gender, age, nationality, culture, etc., of which the ratio of female directors should reach one third of the total directors. B. Professional knowledge and skills: Professional background (such as, law, accounting, industry, finance, marketing, or technology), professional skills, and industrial experience.

The fourth Board of Directors of the Company is composed of seven members, including four independent directors and three general directors (two of whom are concurrently the President and an employee of the Company), all of whom have diverse professional backgrounds. No more than half of the directors are concurrently managers or employees of the Company. Members of the fourth Board of Directors of the Company possess the following capacities, including abilities to make operating judgments, perform accounting and financial analysis, conduct management administration and exercise crisis management, have industry knowledge and international market perspectives, as well as abilities to lead and make policy decisions. Independent Director HSIEH, Yu-Tieng specialized in financial management with the ability to perform accounting and financial analysis. Independent Director CHIU, Shih-Fang specialized in law matters. Independent Director Kuan Chih-Liang specialized in business management and judgment. Independent Director Chen, Tien-Szu has many years of experience in the electronic industry with related professionalism.

Actual management targets under the diverse policy: the current Board of Directors of the Company is composed of seven members. After the election in 2022, there are currently four independent members (three before the election), or 57% of the total Board. Board member profile: 29% concurrently an employee of the Company. Office terms of the three independent members are under nine years; and the other one is under three years.

If the number of directors of one gender in the Board of Directors of a TWSE-listed company is less than one-third of the total number of directors, the reason for the shortage and the measures to be taken to increase the diversity of the Board of Directors:

The Company has elected a female director in the 4th session of the Board of Directors. Currently, the male directors account for 85% of the Board of Directors, and the female directors account for 14%. As some of the candidates with industrial experiences or professional backgrounds for the election are male, the female talent cultivation is still in the process. The Company is planning to elect a female director for the 5th session of the Board of Directors (re-election in 2025). It is expected that there will be two female directors, and the female directors will account for 29% of the Board of Directors. The Company will continue to nominate candidates in accordance with the Corporate Governance Best Practice Principles and the requirements of the competent authorities, and actively work with the industry, official and academic institutions to expand the female talent pool with professional backgrounds and corporate governance experience to be taken into consideration for the election of future directors, and then achieve the goal of a gender equality plan with more than one-third of the seats of the Board of Directors with one gender.

Diversification policy and the implementation of the composition of the Board of Directors:

Core diversity aspects / Name of Directors	Nationality	Gender	Directors concurrently serving as company employees	Age			Term of independent directors			Industry experience	Professional capacity	
				41 to 50	51 to 60	61~70 and above	Under 3 years	3 to 9 years	Over 9 years	Cooling industry	Finance and accounting	Law
SINOTEAM HOLDINGS INC. Representative: HSU Wen-Faung	R.O.C.	Male	V			V				V	V	
LUXURY SHINE INTERNATIONAL LIMITED Representative: Chang Yuan-Fen	R.O.C.	Female	V		V					V	V	
LAI, Jen-Chung	R.O.C.	Male				V				V	V	
HSIEH, Yu-Tien	R.O.C.	Male				V		V			V	
CHEN, Tien-Szu	R.O.C.	Male				V		V		V		
CHIU, Shih-Fang	R.O.C.	Male			V			V				V
Kuan Chih-Liang	R.O.C.	Male			V		V			V	V	

Director professional background and knowledge:

Core diversity aspects / Name of Directors	Gender	Operating judgment	Accounting and Financial Analysis Ability	Operational and Management Ability	Crisis Response Ability	Knowledge of Industry	Understanding of International Markets	Leadership	Decision Making	Law
Representative of SINOTEAM HOLDINGS INC.: HSU Wen-Faung	Male	V	V	V	V	V	V	V	V	
LUXURY SHINE INTERNATIONAL LIMITED Representative: Chang Yuan-Fen	Female	V	V	V	V	V	V	V	V	
LAI, Jen-Chung	Male	V	V	V	V	V	V	V	V	
HSIEH, Yu-Tien	Male	V	V	V	V	V	V	V	V	
CHEN, Tien-Szu	Male	V	V	V	V	V	V	V	V	
CHIU, Shih-Fang	Male	V	V	V	V	V	V	V	V	V
Kuan Chih-Liang	V	V	V	V	V	V	V	V	V	

(II) Independence of Board of Directors:

The Board is composed of a total of seven members, three of whom are regular members and four are independent directors, accounting for 57%. These members possess rich experience and profession in financial, business, law and industry management.

As expressly provided for in Article 21 of the Company's Corporate Governance Best-Practice Principles and Article 79 of the Articles of Incorporation, the directors shall be elected under the candidate nomination system. Accordingly, the Company shall prudently evaluate the qualification requirements of the nominated candidates to determine whether they fall under the situations outlined in Article 30 of the Company Act and shall, in turn, duly elect the appropriate candidates in accordance with Article 193-1 of the Company Act.

The Company established the "Nomination Committee" on January 13, 2025. After all candidates for directors (with independent directors covered inclusively) are duly resolved by the Nomination Committee, the candidates shall be submitted to the shareholders' meeting for the election process.

Of all seven directors of the Company, other than HSU Wen-Faung, the representative from SINOTEAM HOLDINGS, INC and Chang Yuan-Fen, the representative from LUXURY SHINE INTERNATIONAL, LIMITED are spouses to each other, no directors are spouses or are relatives within the second degree of kinship to each other under Paragraphs 3 and 4 of Article 26-3 of Securities and Exchange Act.

(2) The President, Vice Presidents, Assistant Vice Presidents and heads of various departments and branches

1. Name, main experience (education), and shareholding and nature

March 31, 2025; Unit: thousand shares

Title	Nationality	Name	Gender	Inauguration date	Status of shareholding		Shares Held by Spouse & Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Positions with other companies	Spouse or kin within the second pillar under the Civil Code and who is a manager			Remarks
					Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding			Title	Name	Relation	
President	R.O.C.	HSU Wen-Faung	Male	1997/3	1,195	3.15%	199	0.53%	0	0%	Department of Civil Engineering, Tamkang University Engineer of CTCI Advanced Systems Inc. Director of Hefeng Construction Co., Ltd. Director of Hefeng Construction Co., Ltd.	Note 1	None	None	None	
Vice President and Chief Finance Office	R.O.C.	YAO, Cheng-Min	Male	2021/3	10	0.03%	0	0%	0	0%	Accounting Department of Soochow University Chief Finance Officer of Atrack Technology Inc. Finance manager, Mainland China Business, AirTAC International Group Deputy Manager, Deloitte & Touche	Note 1	None	None	None	
Vice President of R&D	R.O.C.	HSIEH, JUNG-CHUNG	Male	2015/8	6	0.02%	0	0%	0	0%	National Taipei University of Technology - Mechatronics R&D Manager of Dynaeon Industry R&D Manager of Arx Co., Ltd. R&D Manager of Apistek Technology Company Limited	Note 1	None	None	None	
Group Assistant Vice President	R.O.C.	Lai, Chih-Sung	Male	2020/11	3	0.01%	0	0%	0	0%	Department of Accounting, Jinwen University of Science and Technology Associate Manager, Long John Tsung Right Industrial Co., Ltd. Accounting Manager, Jiu Hua Agriculture Technology Limited Company	Note 1	None	None	None	
Chief Technology Officer	R.O.C.	HUANG Chia-Lieh	Male	2021/12	0	0%	0	0%	0	0%	Ph. D. in mechanical engineering, National Taiwan University of Science and Technology (NTUST) Manager of Asia Vital Components Co., Ltd. Fan Manager of Apistek Technology Co., Ltd.	Note 1	None	None	None	

Title	Nationality	Name	Gender	Inauguration date	Status of shareholding		Shares Held by Spouse & Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Positions with other companies	Spouse or kin within the second pillar under the Civil Code and who is a manager			Remarks
					Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding			Title	Name	Relation	
Audit Manager	R.O.C.	CHEN,CHI-CHENG	Male	2019/3	0	0%	0	0%	0	0%	National Central University - Industrial Economics Graduate School Audit Office Assistant Manager of David Electronics Company Ltd. Audit Office Assistant Manager of Kaibo Enterprise Co., Ltd.	Note 1	None	None	None	
Business Development Manager (Note)	R.O.C.	WANG, Chien-Ta	Male	2020/01	39	0.10%	0	0%	0	0%	Chia Nan University of Pharmacy & Science Sale Controller of Sunonwealth Electric Machine Industry Co. Ltd.	Note 1	None	None	None	
Senior Manager of Sales	R.O.C.	TSAI, Wen-Chang	Male	2024/08	24	0.07%	0	0%	0	0%	Computer Engineering Group, Hungkuo Delin University of Technology Project Manager of Lextar Technology Co., Ltd. Project Manager of Engineer of Simplo Co., Ltd.	Note 1	None	None	None	
Senior Manager of Sales	R.O.C.	SHAO, Wen-Yu	Male	2024/08	0	0%	0	0%	0	0%	B.S. Chemistry, University of Massachusetts Assistant General Manager, International Business Department, Protechnic Electric Co., Ltd. iMac Sales Supervisor, Quanta Computer Inc.	Note 1	None	None	None	

Note: Wang Chien-Ta, Manager of Business Department, left the position on September 6, 2024.

1.1: The President and heads of various departments and branches who also hold a job position with the other companies are listed in the table below.

Title	Name	Positions with other companies
President	HSU Wen-Faung	SINOTEAM HOLDINGS INC.: Director/ President UNITED STRATEGYINC.: Director/ President Director/ President of POWER LOGIC HOLDINGS INC. Sunny Sharp International Limited.: Director/ President POWER LOGIC TECH. INC.: Director/ President Sunny Sharp International Limited Taiwan Branch: Litigation and Non-contentious Representative Power Logic Tech. (DongGuan) Inc.: Director/ President Tai-yi (Jiangxi) Electronic Technology Co., Ltd: Director/ President LinkCom Manufacturing Co., Ltd.: Independent Director Chichen Technology Co. Ltd: Representative from Power Logic Tech. Inc.
Vice President and Chief Finance Office	YAO, Cheng-Min	UNITED STRATEGYINC.: Vice President and Chief Finance Office POWER LOGIC HOLDINGS INC.: Vice President and Chief Finance Officer Sunny Sharp International Limited.: Vice President and Chief Finance Office POWER LOGIC TECH. INC.: Vice President and Chief Finance Office Sunny Sharp International Limited Taiwan Branch: Vice President and Chief Finance Office Power Logic Tech. (DongGuan) Inc.: Vice President and Chief Finance Office Tai-yi (Jiangxi) Electronic Technology Co., Ltd: Vice President and Chief Finance Office Cicheng Technology Co., Ltd.: Chief Finance Officer
Vice President of R&D (Note)	HSIEH, JUNG-CHUNG	Sunny Sharp International Limited Taiwan Branch: R&D Vice President DONG GUAN DONG LI DIAN ZI CO. LTD: R&D Vice President Tai-yi (Jiangxi) Electronic Technology Co., Ltd: R&D Vice President Chichen Technology Co. Ltd: Representative from Power Logic Tech. Inc.
Group Assistant Vice President	Lai, Chih-Sung	Power Logic Tech. (DongGuan) Inc.: Group Assistant Vice President Taiyi (Jiangxi) Electronic Technology Co., Ltd.: Group Assistant Vice President
Chief Technology Officer	HUANG Chia-Lieh	Sunny Sharp International Limited Taiwan Branch: Chief Technology Officer DONG GUAN DONG LI DIAN ZI CO. LTD: Chief Technology Officer Tai-Yi (Jiangxi) Electronic Technology Co., Ltd.: Chief Technology Officer
Audit Manager	CHEN,CHI-CHENG	UNITED STRATEGY INC.: Chief Auditor POWER LOGIC HOLDINGS INC.: Chief Auditor SUNNY SHARP INTERNATIONAL LIMITED: Chief Auditor Sunny Sharp International Limited Taiwan Branch: Chief Auditor POWER LOGIC TECH. INC.: Chief Auditor DONG GUAN DONG LI DIAN ZI CO. LTD: Chief Auditor Taiyi (Jiangxi) Electronic Technology Co., Ltd.: Chief internal auditor Cicheng Technology Co., Ltd.: Chief Auditor
Sale Manager	WANG, Chien-Ta (Note)	UNITED STRATEGYINC.: Sales Manager POWER LOGIC HOLDINGS INC.: Sales Manager Sunny Sharp International Limited.: Sales Manager Sunny Sharp International Limited Taiwan Branch: Sales Manager POWER LOGIC TECH. INC.: Sales Manager Power Logic Tech. (DongGuan) Inc.: Sales Manager Tai-yi (Jiangxi) Electronic Technology Co., Ltd: Sale Manager

Senior Manager of Sales	TSAI, Wen-Chang	UNITED STRATEGYINC.: Sales Asst. VP POWER LOGIC HOLDINGS INC.: Sales Asst. VP Sunny Sharp International Limited.: Sales Asst. VP Sunny Sharp International Limited Taiwan Branch: Sales Asst. VP POWER LOGIC TECH. INC.: Sales Asst. VP Power Logic Tech. (DongGuan) Inc.: Sales Asst. VP Tai-yi (Jiangxi) Electronic Technology Co., Ltd: Sale Asst. VP
Senior Manager of Sales	SHAO, Wen-Yu	UNITED STRATEGYINC.: Sales Asst. VP POWER LOGIC HOLDINGS INC.: Sales Asst. VP Sunny Sharp International Limited.: Sales Asst. VP Sunny Sharp International Limited Taiwan Branch: Sales Asst. VP POWER LOGIC TECH. INC.: Sales Asst. VP Power Logic Tech. (DongGuan) Inc.: Sales Asst. VP Tai-yi (Jiangxi) Electronic Technology Co., Ltd: Sale Asst. VP

Note: Wang Chien-Ta, Manager of Business Department, left the position on September 6, 2024.

2. Where the Company's General Manager or an equivalent position (the highest managerial officer) and Chair of the Board are the same person or are spouses or relatives within the first degree of kinship, information relating to its reasons, reasonableness, necessity and response measures (such as increasing independent directors, and a majority of the directors may not serve concurrently as an employee or managerial officer) shall be explained:

   Reason: Considering the Company's current operation scale and situation, the requirement for professionalism, familiarity to the industry, decision-making ability and long-term business planning and strategy, the Company's Chair of the Board and General Manager is the same person.

   Reasonableness: Other than the Chairman and President are the same person and spouses to each other, we have added one more independent director (the total independent member shall not be less than four) to enhance the supervision function from the board. In the meantime, the majority of directors are not concurrently an employee manager of the Company; and the remaining directors are not spouses or relatives within the first degree of kinship. Therefore, the President is for sure able to execute duties according to resolution from the Board. The Board is able to conduct the supervision appropriately and independently.

   Necessity: In response to the Company's mid-term human resources and organizational development plan, the status quo is the best for the Company's operational needs.

   Countermeasure: The Company has amended the Corporate Governance Best Practice Principles in January 2022. Also a new independent board member was added on May 31, 2022 in the Board election to increase the number of independent members from three to four to follow Article 4 under "Taiwan Stock Exchange Corporation Operating Directions for Compliance with the Establishment of the Board of Directors by TWSE-Listed Companies and the Board's Exercise of Powers."

3. Continuing education and training programs related to corporate governance attended by managers:

Title	Name	Organizer	Course Name	Training date	Training hours
Chief Corporate Governance	YAO, Cheng-Min	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Chief Corporate Governance	YAO, Cheng-Min	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Vice President of R&D	HSIEH, JUNG-CHUNG	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Vice President of R&D	HSIEH, JUNG-CHUNG	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Manager of Audit Office	CHEN, CHI-CHENG	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Manager of Audit Office	CHEN, CHI-CHENG	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3

II. Remuneration paid to Directors (including Independent Directors), Supervisors, the President, and the Vice President in the most recent year

1. Remuneration of directors and independent directors

Unit: NT$ thousand; thousand Shares

Title	Name	Remuneration to Directors										Remuneration in the capacity as employees								The sum of A, B, C, D, E, F and G and in proportion to Earnings		Compensation paid to directors from an invested company other than the Company's subsidiaries or parent company
		Director fees (A)		Pension (B)		Remuneration to directors (C)		For services (D)		The sum of A, B, C and D and in proportion to Earnings		Salaries, bonus and special subsidies (E)		Pension (F)		Remuneration to employees (G)						
																The Company		All companies mentioned in the financial statements				
		The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	Cash	Stock	Cash	Stock	The Company	All companies mentioned in the financial statements	
Chairman	SINOTEAM HOLDINGS INC. Representative: HSU Wen-Faung	1,180	1,180	0	0	2,596	2,596	104	111	3,880 3.25%	3,887 3.25%	0	12,503	0	36	1,610	0	1,740	0	5,490 4.59%	18,166 15.20%	0
Director	LAI, Jen-Chung																					
Director	LUXURY SHINE INTERNATIONAL LIMITED Representative: Chang Yuan-Fen																					
Independent director	CHEN, Tien-Szu	3,147	3,147	0	0	0	0	147	147	3,294 2.76%	3,294 2.76%	0	0	0	0	0	0	0	0	3,294 2.76%	3,294 2.76%	0
Independent director	CHIU, Shih-Fang																					
Independent director	HSIEH, Yu-Tien																					
Independent director	Kuan Chih-Liang																					

1. Please describe the policy, systems, standards and structure of remuneration of independent directors; also, describe the relationship with the amount of remuneration according to the responsibilities, risks and invested time:

The Company has established a Compensation Committee. Remuneration to independent directors are decided through the resolutions of the Compensation Committee and the Board of Directors based on "Regulations Governing the Remuneration of Directors and Managers," approved by the Compensation Committee and the Board, with the consideration of the duties involved and levels of operating participation and value contributed and the performance evaluation in accordance with the evaluation of the board/functional committees. The procedures of the remuneration assessment have factored in the operating performance and risks. Please see Pages 29~30 in the annual report for details. The "Regulations Governing the Remuneration of Directors and Managers" is available on the Company website, http://www.sun-max.com.tw: Corporate Governance-> Important Policies.

2. Except for those disclosed in the above table, the remuneration of the Company's directors by providing services (e.g., serving as the non-employee consultant) to all companies included in the financial report in the most recent year: None.

Classification of remuneration

Remunerations to individual directors in respective brackets along the salaries scale	Name of Directors			
	Total (A+B+C+D)		Total (A+B+C+D+E+F+G)	
	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements
Less than 1,000,000	CHEN, Tien-Szu; CHIU, Shih-Fang; HSIEH, Yu-Tien; Kuan Chih-Liang; LAI, Jen-Chun	CHEN, Tien-Szu; CHIU, Shih-Fang; HSIEH, Yu-Tien; Kuan Chih-Liang; LAI, Jen-Chun	CHEN, Tien-Szu; CHIU, Shih-Fang; HSIEH, Yu-Tien; Kuan Chih-Liang; LAI, Jen-Chun	CHEN, Tien-Szu; CHIU, Shih-Fang; HSIEH, Yu-Tien; Kuan Chih-Liang; LAI, Jen-Chun
1,000,000(inclusive) ~ 2,000,000 (exclusive)	LUXURY SHINE INTERNATIONAL LIMITED, SINOTEAM HOLDINGS INC.	LUXURY SHINE INTERNATIONAL LIMITED, SINOTEAM HOLDINGS INC.	LUXURY SHINE INTERNATIONAL LIMITED	
2,000,000(inclusive) ~ 3,500,000 (exclusive)			SINOTEAM HOLDINGS INC.	LUXURY SHINE INTERNATIONAL LIMITED
3,500,000(inclusive) ~ 5,000,000 (exclusive)				
5,000,000(inclusive) ~ 10,000,000 (exclusive)				
10,000,000(inclusive) ~ 15,000,000 (exclusive)				SINOTEAM HOLDINGS INC.
15,000,000(inclusive) ~ 30,000,000 (exclusive)				
30,000,000(inclusive) ~ 50,000,000 (exclusive)				
50,000,000(inclusive) ~ 100,000,000 (exclusive)				
100,000,000 above				
Total	7 persons	7 persons	7 persons	7 persons

2. Supervisor’s remuneration: The Company sets up an Audit Committee, but has not appointed a supervisor.

3. Remuneration to President and Executive Vice Presidents

Unit: NT$1,000 (except for the market price), 1,000 shares

Title	Name	Salary (A)		Pension (B)		Bonuses and allowances etc. (C)		Remuneration to the employees (D)				The sum of A, B, C and D and in proportion to Earnings (%)		Compensation paid to directors from an invested company other than the Company's subsidiaries or parent company
		The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company		All companies mentioned in the financial statements		The Company	All companies mentioned in the financial statements	
								Cash Dividends	Free-Gratis Dividends	Cash Dividends	Free-Gratis Dividends			
President	HSU Wen-Faung	0	9,249	0	205	0	6,770	1,850	0	1,980	0	1,850	18,204	0
Executive Vice President	YAO, Cheng-Min											1.55%	15.23%	
	HSIEH, JUNG-CHUNG													

Classification of remuneration

The brackets of remunerations to all Presidents and Vice Presidents of the Company	Name of Presidents and Executive Vice Presidents	
	The Company	Consolidation
Less than 1,000,000	YAO, Cheng-Min; HSIEH, Jung-Chung	
1,000,000(inclusive) ~ 2,000,000 (exclusive)	HSU Wen-Faung	
2,000,000(inclusive) ~ 3,500,000 (exclusive)		YAO, Cheng-Min; HSIEH, Jung-Chung
3,500,000(inclusive) ~ 5,000,000 (exclusive)		
5,000,000(inclusive) ~ 10,000,000 (exclusive)		
10,000,000(inclusive) ~ 15,000,000 (exclusive)		HSU Wen-Faung
15,000,000(inclusive) ~ 30,000,000 (exclusive)		
30,000,000(inclusive) ~ 50,000,000 (exclusive)		
50,000,000(inclusive) ~ 100,000,000 (exclusive)		
100,000,000 above		
Total	3 persons	3 persons

4. Name of the managers received remuneration and the distribution of remuneration:

December 31, 2024 Unit: NTD

	Title	Name	Stock	Cash	Total	As a percentage of net profit after tax (%)
Manager	President	HSU Wen-Faung	0	2,390,000	2,390,000	2%
	Executive Vice President	YAO, Cheng-Min				
	Group Assistant Vice President	Lai, Chih-Sung				
	Vice President of R&D	HSIEH, JUNG-CHUNG				
	Chief Technology Officer	HUANG Chia-Lieh				
	Senior Manager of Sales	TSAI, Wen-Chang				
	Senior Manager of Sales	SHAO, Wen-Yu				
	Audit Manager	CHEN, CHI-CHENG				

5. Individually explain and compare and disclose remunerations paid in the last 2 years by The Company and all companies included in the consolidated financial statements to The Company's Directors, Supervisors, President and Vice Presidents as a percentage of after-tax net profit. Describe the remuneration policy, standards and packages, the procedures for determining remuneration, and their link to business performance.

(1) Analyzing the ratio of the remuneration to the directors, supervisors, President, and Vice President of the Company and all the companies on the consolidated financial statements to net income:

Unit: NTD thousands

Title / Item	The Company				All companies included in the consolidated statements			
	2023		2024		2023		2024	
	Total amount	Total/ after-tax profit	Total amount	Total/ after-tax profit	Total amount	Total/ after-tax profit	Total amount	Total/ after-tax profit
Remuneration to Directors	8,363	7.05%	8,784	7.35%	20,282	17.11%	21,460	17.96%
Remuneration to President and Executive Vice Presidents	1,690	1.43%	1,850	1.55%	14,940	12.61%	18,204	15.23%
Income after taxation	118,516	100%	119,540	100%	118,516	100%	119,540	100%

Remark: The increase in remuneration to directors, presidents, and Deputy General Managers in 2024 from 2023 is due to the salary adjustment and promotion of Vice President Hsieh Jung-Chung in 2024.

(2) Association with the remuneration policy, standard and combination, procedure for determining the remuneration, and operation performance, and the risks in the future.

The Company has established a compensation committee formed by all independent directors. Remuneration policy for directors and managerial officers is made in accordance with the Rules Governing Remuneration of Directors and Managerial Officers passed by the Compensation Committee and the Board of Directors, which was determined based on the position, contribution to operation and performance evaluation by the Board of Directors. It is periodically re-evaluated and will be paid after adopted by the Compensation Committee and the Board of Directors.

Every year, the Board of Directors was assessed according to "Regulations Governing the Remuneration of Directors and Managers," together with "Performance Evaluation Table for Board of Director Members" and "Measures for Employee Performance Evaluation." According to the results of manager assessment, the Board has passed all the evaluation standards. Each remuneration payment policy, standards, portfolio, determination procedures of directors (independent directors) and managerial officers has considered business performance and risks. Also, according to Article 129 in the Company's Articles of Association, if there is pre-tax profit, a profit sharing of 1.5%~10% shall be appropriated to employees as compensation and no more than 2% shall be appropriated to the Board of directors.

Here at the Company, the remunerations to directors are distributed and calculated in accordance with the Company's "Regulations Governing Management over Remunerations to Directors and Managerial Officers" for the weights. The weight evaluation is classified into: 1. The fundamental weights for the post of a director. 2. Participation in the Company's routine business operation and management. 3. The fact to back up the endorsement/guarantee in response to the Company's need in financing. 4. Participation rate to the Board of Directors meetings up to over 80% (inclusive) 5. Other key contributions as proposed by a member of the Remuneration Committee, discussed and resolved in the Board of Directors. 6. Result of the performance evaluation for the Board of Directors. 7. Payable on an annual basis. In case of a service period of less than one year, the number of weights shall be counted pro rata to the period of service.

Formula for calculation: The remuneration to directors to be distributed based on the individual director earnings = Total amount of remuneration to directors as resolved in the shareholders' meeting x The aggregate total of weights of all directors toward the individual directors based on their participation.

Here at the Company, the remunerations to managerial officers are distributed and calculated in accordance with the Company's "Regulations Governing Management over Remunerations to Directors and Managerial Officers". The distributed earnings are a sort of variable salary and shall be calculated in association with the "Regulations Governing Performance Evaluation for Employees."

Table of contents for performance evaluation for employees (including managerial officers):

Targets for performance evaluation	Evaluation items	
Supervisory level	Performance in management	Leadership, communications and coordination, emotional resistance, problem-solving capabilities
	Personal capabilities	Sound character and integrity, workplace ethics, professional expertise, responsibility dedication, pro-active performance, work efficiency.
General Indirect colleagues	Performance at work	Responsible dedication, pro-active performance, work efficiency

	Working capabilities	Professional expertise, solution to problems
	Attitude toward work	Moral integrity, workplace ethics, facts in attendance to duties
	Potential at work	Attitude toward learning, capability in learning

The decision procedures for profit sharing, other than overall business results, include individual performance achievement and business contributions based on "Measures for Employee Performance Evaluation" to ensure reasonable compensation. Remunerations to managers are reviewed by the Compensation Committee and sent to the Board for discussion to ensure the reasonableness of the overall compensation package.

To control compensation risks, the Company makes adjustments to the compensation policy based on industry transformation, international financial environment, future business development, operating risks profitability status, as well as real time law changes.

6. For the individuals who are not directors of the securities issuer but perform the duties of the directors or actually control the company's personnel, finance, or business operations; also, instruct the directors to executive business, their name, experience (education), shareholdings, current position held with the issuer and other companies, relationship with the issuer's directors and supervisors, and substantive control over the issuer should be detailed, in addition, foreign issuers shall state the legal responsibilities of the aforementioned individuals according to the laws of the country of registration:

   There are no individuals who are not the Company's board directors but perform the duties of the directors or actually control the company's personnel, finance, or business operations; also, directors instruct executive business, and therefore this is not applicable to them.

III. Status of Corporate Governance

(I) The function of the Board:

6 Board of Directors meetings (A) were held in the 2024; Directors' attendance are listed below:

Title	Name	Attendance rate % (B)	Attend through proxy	Attendance rate % (B/A)	Remarks
Chairman	SINOTEAM HOLDINGS INC. Representative: HSU Wen-Faung	6	0	100%	
Director	INTERNATIONAL LIMITED Legal representative: Chang Yuan-Fen	6	0	100%	
Director	LAI, Jen-Chung	6	0	100%	
Independent director	CHEN, Tien-Szu	6	0	100%	
Independent director	CHIU, Shih-Fang	6	0	100%	
Independent director	HSIEH, Yu-Tien	6	0	100%	
Independent director	Kuan Chih-Liang	6	0	100%	

Other notes:

1. If any of the following is applicable to the operation of the board of directors, specify the date, the series of the session, the content of the motions, the opinions of the Independent Directors, and the response of the Company to the opinions of the Independent Directors:
   (1) Issues under Article 14-3 of Securities and Exchange Act: Not applicable (The Company adopts a system of Audit Committee)
   (2) Except for the aforementioned matters, the resolutions reached by the Board of Directors with the objections or reservations of the independent directors documented or declared in writing: Not applicable.
2. The avoidance of the conflict of interest by the Directors on related motions, specify the names of the Directors, the content of the motions, the principle of the avoidance of the conflict of interest, and the participation in casting the ballots:

Date of board meeting	Session/ Term	Contents of the motion: Causes leading to avoidance from conflict of interests and facts in participation to the voting process.
2024/1/25	The 11th meeting of the 4th term	**1. Motion go distribute year-end bonus for 2023** Nature of conflicting interests: The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHEN, Tien-Szu to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised

Date of board meeting	Session/ Term	Contents of the motion: Causes leading to avoidance from conflict of interests and facts in participation to the voting process.
		by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting. **2. Proposal for 2024 criteria of the performance evaluation and compensation standards for Board of Directors and the general managers.** Nature of conflicting interests: The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHEN, Tien-Szu to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. **3. Motion for annual salary raise for 2024.** Nature of conflicting interests: The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHEN, Tien-Szu to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands.
2024/3/14	The 12th meeting of the 4th term	**1. Motion for distribution of remuneration to employees and remuneration to directors and supervisors for 2024.** Nature of conflicting interests: The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The Director LAI, Jen-Chung was an interested party with respect to this proposal and also recused himself from the voting. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHEN, Tien-Szu to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other four attending directors. All four directors voted in favor of the proposal by a show of hands.

3. Information on the board's self (or peer) evaluation cycle and period, evaluation scope, method and evaluation content:

(1) Self-evaluation frequency and period (or peer-evaluation) of the Board of Directors: Evaluation frequency is once a year and shall be completed before the first quarter of the following ends. Evaluation period: January 1, 2024~ December 31, 2024.

(2) Evaluation scope: Including performance review of the entire Board of Directors, each member of the Board of Directors, performance evaluation of functional committees.

(3) Performance assessment: According to Article 3 under "Rules for Performance Evaluation of Board of Directors," each year, the Board shall conduct an internal performance assessment of the Board, according to the procedures and indicators stipulated in Article 6 and 8 and an external assessment every three years.

(4) The 2024 Board Self- (or Peer) Assessment and the performance evaluation of the functional committees (Audit Committee and Compensation Committee) have been reported to the Board Meeting on January 13, 2025.

Implementation status of 2024 Board Self- (or Peer) Assessment:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content	Self-evaluation comments
Once a year	January 1, 2024 to December 31, 2024	Performance evaluation of the Board of Directors	Internal self-evaluation of the Board of Directors	A. The extent of participation in the Company's operations. B. Improvement in the quality of the board's decision-making. C. Composition and structure of the board. D. Election and continuing education of directors. E. Internal control F. Other	The Company's Board of Directors is well functioning and in line with the spirit of corporate governance. It has been operating normally in accordance with fair corporate governance practices.
		Evaluation of individual Board members	Self-evaluation of directors	A. Alignment of the Company's objectives and tasks. B. Mastery of the Company's objectives and tasks. C. The extent of participation in the Company's operations. D. Internal relationship management and communication. E. Professionalism and continuing education of directors. F. Internal control G. Other	● Chairman Hsu Wen-Fang: The Company fulfills its duties, improves the efficiency of the Board of Directors, strengthens corporate governance, and protects the rights and interests of shareholders. ● Director LAI, Jen-Chung: facilitates effective communication at the Board of Directors and familiarizes himself with the Board operations. ● Director Chang Yuan-Fen: The Company fulfills its duties, strengthens the transparency of the

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content	Self-evaluation comments
					Board of Directors, and promotes the diversity of the Board of Directors. ● Independent Director Hsieh Yu-Tien: The Board of Directors is well-organized and the Company is well-governed. ● Independent Director Chen Tien-Tzu: The Board members have sufficient communication, management and supervision. ● Independent Director Chiu Shih-Fang: The Board of Directors has great interaction with the management team, and the communication on all issues is effective. ● Independent Director Kuan Chih-Liang: The Company has participated in various agendas and discussions among the Board of Directors' meetings throughout the process. The agenda is detailed, and the Company is transparent and has a full understanding of the Company's business operations. The Board of Directors has a harmonious atmosphere and smooth communication. All functional committees are well-organized.
		Performance evaluation of functional committees (Audit Committee and the Remuneration Committee)	Self-evaluation of Functional committees member	A. The extent of participation in the Company's operations. B. Awareness of the duties of the functional committee. C. Improvement in the quality of the functional committee's decision-making.	Audit Committee: The Company's Audit Committee and Remuneration Committee are well organized and evaluated thoroughly. They supervise various existing or potential risks in the Company. The committee members are independent and professional, and can provide professional advice in a timely and

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content	Self-evaluation comments
				D. Composition and member appointment of functional committees. E. Internal control F. Other	objective manner when the Board of Directors is making decisions as a reference for the Board of Directors. Remuneration Committee: The Company's Remuneration Committee is well-organized. The Company will regularly review the linkage between the performance evaluation of directors and managers, and the policies, systems, standards and structures of their remuneration.

(4) Implementation status of external assessment:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
November 16, 2021 Implemented once in every three-year.	September 1, 2020 to August 31, 2021	Performance evaluation of the Board of Directors	Corporate Governance Association in Taiwan	A. Composition of the board of directors B. Guidance of the board of directors C. Authorization of the board of directors. D. Supervision of the board of directors E. Communication of the board of directors F. Internal control and risk management G. Self-discipline of the board of directors. H. Evaluation toward other eight key aspects, e.g., Board of Directors meeting, supporting system and the like.
November 29, 2024 Implemented once in every three-year.	January 1, 2023 to September 21, 2024	Performance evaluation of the Board of Directors	Finance Research and Development Foundation	1. Protect shareholders' rights 2. Strengthen the structure and operation of the Board of Directors 3. The extent of participation in the Company's operations. 4. Improvement in the quality of the board's decision-making. 5. Enhance information transparency 6. Internal control 7. Promote sustainable development 8. Other eight major aspects are assessed

The results of the performance evaluation of the "Financial Research and Development Foundation" in 2024 are described as follows:

The "performance evaluation of the Board of Directors" was entrusted to the "Taipei Foundation of Finance" by SUN MAX TECH LIMITED. The supervisor of the evaluated company and the Foundation actively discuss the evaluation preparation work, from written data and supplementary information to online data required in the first stage of evaluation to ensure that the evaluation committee members of the Foundation can perform a complete review based on the evaluation indicator. After the evaluation committee members have reviewed the self-assessment report and the corresponding information of the evaluated company, they believe that the written data of overall performance review items of seven aspects provided by the evaluated company have met the No. 11 evaluation indicator. The overall operations of the Board of Directors have complied with the relevant regulations of the competent authorities. On the day of the onsite visit and evaluation, the Board of Directors and senior executives of the evaluated company also demonstrated their requirements for the current meeting of the Board of Directors. The overall operations of the Board of Directors have also complied with the relevant regulations of the competent authorities. On the day of the onsite visit and evaluation, the Board of Directors and senior executives of the evaluated company also demonstrated their emphasis on the performance evaluation of the current meeting of the Board of Directors. In conclusion, the evaluation of the overall performance of the Board of Directors of the evaluated company is completed by the evaluation committee members of the Foundation. Next, considering that the industry environment of the evaluated company is changing drastically, the evaluated company implements transformation and upgrade to enter the fields of AI servers and automotive electronics, which will be the biggest challenge faced by the company in the future. The following three suggestions are proposed for reference:

Suggestion 1: The evaluated company must respond to the future development. As the establishment and cultivation of the successor team takes at least five to ten years, the Board of Directors is recommended to actively formulate a successor project for directors and key senior management, to pass on the experience, and maintain the stability and sustainable development competitiveness of the company.

The Company has identified the following improvements based on the suggestions raised: The Company has stipulated the "Operation Directions of the Succession Plan" and established the Nomination Committee on January 13, 2025. The Nomination Committee reviews the nominations of candidates for directors and key senior management. In the future, the Company will continue to conduct succession plan training and arrangements for directors and key senior management in accordance with relevant regulations.

Suggestion 2: As the evaluated company actively expands into new domains for product development, it is recommended that the company formulate an intellectual property management plan linked to its operational objectives. Additionally, the introduction of a certification mechanism for the Taiwan Intellectual Property Rights Management Standards (TIPS) or ISO 56005 can be considered.

The suggestions from the Foundation to the Company for improvement: The Company has established the "Regulations Governing the Management of Intellectual Property Rights" with reference to the suggestions from the Taipei Foundation of Finance. The establishment was approved by the Board of Directors on January 13, 2025. The Company reported the implementation status in 2024 to the Board of Directors. For related information, please refer to the Company's official website, Corporate Governance -> Intellectual Property Rights Management.

Suggestion 3: In the face of future sustainable development and challenges for the evaluated company, it is recommended that the existing sustainable development promotion team under the General Manager's Office be promoted to the functional committee of the Board of Directors. The evaluated company shall make plans in advance in order to grasp the development opportunities and risks of the Company.

The suggestions from the foundation regarding the direction of improvement: The Company plans to establish the “Sustainable Development Committee” at the Board of Directors level in 2025.

4. Evaluate goals and status of strengthening the board's job functions in the past few years:
   (1) The Company shall convene a Board of Directors meeting on a quarterly basis as the minimum to check and verify the Company's business performance with discussions into key managerial strategies. In 2024, the Board of Directors convened a total of 6 Board meetings which were attended by 100% of all directors. The decisions resolved in a Board of Directors' meeting were posted onto the Market Observation Post System (MOPS) as well as the Company's website in the special zone for investors forthwith, readily accessible to all investors and stakeholders to be informed of the key updates of the Company in real time.
   (2) The Company has established the Audit Committee, Remuneration Committee and Nomination Committee.
   (3) When the Company's board meeting is convened, the Company's public accountant and the heads of various departments of the Company are invited to report to the directors and independent directors on the audit of the financial statements, information on the company's recent finances, business, and research and development, and internal audit results. Ensure that the directors are informed of the most complete and detailed information.
   (4) The Company has designated staff to be responsible for information disclosure on the company's website and the Market Observation Post System, and enact the "Procedures for Handling Material Inside Information" to promote information transparency.
   (5) In order to strengthen corporate governance, the Company's Board of Directors has passed the "Corporate Governance Best Practice Principles," "Ethical Corporate Management Best Practice Principles," "Procedures for Ethical and Guidelines for Conduct," "Sustainable Development Best Practice Principles," "Code of Ethical Conduct," and "Material Contingencies Reporting Procedure," "Rules Governing Risk Control," "Director Diversity Policy," and "Standard Operating Procedures for Handling Directors' Requests;" also, will continue to amend other relevant specifications in order to implement the highest corporate governance principles.
   (6) To reinforce corporate governance and enhance board functions for improved efficiency, the Company has established the "Rules for Performance Evaluation of Board of Directors" to govern the procedures for the annual internal performance assessment of the Board, each board member and the individual members of the functional committee. The 2024 results of the assessments have been presented at the Board Meeting on January 13, 2025.

       Based on Article 3 under "Rules for Performance Evaluation of Board of Directors", an external assessment will be conducted every three years. The Company commissioned the "Taiwan Corporate Governance Association" for an external assessment on the Board's performance in 2024. The results were reported at the Board meeting held on January 13, 2025.

(II) The operation of the Auditing Committee:

The Audit Committee is composed of four members. The term of office of the 3rd Audit Committee: May 31, 2022 to May 30, 2025.
The Auditing Committee convened for 6 times (A) in 2024. The attendance of the independent directors is shown below:

Title	Name	Actual number of attendance (B)	Attend through proxy	Attendance rate (%) (B/A)	Remarks
Independent director (Convener)	HSIEH, Yu-Tien	6	0	100%	
Independent director	CHEN, Tien-Szu	6	0	100%	
Independent director	CHIU, Shih-Fang	6	0	100%	
Independent director	Kuan Chih-Liang	6	0	100%	

Other notes:

1. Audit Committee Operation:
   (1) On issues stated in Article 14-5 of the Securities and Exchange Act and issues not passed by the Auditing Committee by passed by a two-third majority of all directors, the date of Board session, the term of the Board, the content of the motions, the resolutions of the Auditing Committee, and the opinions of the Auditing Committee: None.

   The Audit Committee convened by the Company in 2024 does not have such situations.

   (2) Except for the matters stated in the preceding paragraph, the matters that are not approved by the Audit Committee, but resolved with the consent of two thirds of the board directors should be handled as follows: In addition to the descriptions stated in 2024, the attending independent directors at the Audit Committee meeting convened by the Company did not have any objections or reservations raised against other proposals.
2. For independent directors who have themselves recused for any proposals with a risk of conflict of interest, the name of said independent director(s), the content of the proposal, the reasons for recusal, and the participation in the voting should be detailed: There is not any risk of conflict of interest for the independent directors to have themselves recused in the most recent year and as of the annual report printing date.
3. The communication between the Independent Directors and the Chief Internal Auditor and the certified public accountants (including the communications related to the financial position and state of operation of the Company, in materiality, the means of communications, and the result).

   The internal audit officer of the company will regularly report the audit results and the follow-up to the members of the Audit Committee. For any special circumstances, the internal audit officer will immediately notify the members of the Audit Committee. The communication between the Audit Committee and the internal audit officer of the Company is good.

   The Company's Audit Committee will commission the Company's public accountants to attend the Audit Committee meeting depending on the actual needs, and will report the audit results.

■ Communication between independent directors and accountant

Date of communication	Main points of communication	Implementation by the company
2024/11/06	2024 Q3 consolidated financial statements	Independent directors do not dispute. It is submitted to the Board of Directors for resolution.
2024/08/15	Issues of communications by and between the certified public accountants and the Audit Committee after the financial statement of 2024 Q2 were duly audited 2024 Q2 consolidated financial statements	Independent directors do not dispute. It is submitted to the Board of Directors for resolution.
2024/05/09	2024 Q1 consolidated financial statements	Independent directors do not dispute. It is submitted to the Board of Directors for resolution.
2024/03/14	Issues of communications by and between the certified public accountants and the Audit Committee after the financial statement of Fiscal 2023 were duly audited And 2023 consolidated financial statements	Independent directors do not dispute. It is submitted to the Board of Directors for resolution.
2024/01/25	The external auditors communicated privately with the Audit Committee on the 2023 audit plan	Independent directors do not dispute. The communication content is saved for reference.

■ Communication between independent directors and internal audit executive:

Date of communication	Main points of communication	Implementation by the company
2024/11/06	Presented the 2024 Q3 audit report and nonconformities follow-up report to the independent directors for review.	Independent directors do not dispute. The communication content is saved for reference.
2024/08/15	Presented the 2024 Q2 audit report and nonconformities follow-up report to the independent directors for review.	Independent directors do not dispute. The communication content is saved for reference.
2024/05/09	Presented the 2024 Q1 audit report and nonconformities follow-up report to the independent directors for review.	Independent directors do not dispute. The communication content is saved for reference.
2024/03/14	Presented the 2023 Q4 audit report and nonconformities follow-up report to the independent directors for review.	Independent directors do not dispute. The communication content is saved for reference.

■ Major resolutions reached in the 2024 Audit Committee meeting and their handling:

Meeting date	Meeting	Major resolutions reached in the 2024 Audit Committee meeting	
2024/1/25	10th meeting of the 3rd term of the Audit Committee	Proposal 1	Communications with the Audit Committee are audited by Deloitte & Touche Taiwan (hereinafter, “Deloitte”) in 2023.
		Resolutions	The CPAs communicated with the four independent directors separately. The four members attended the

Meeting date	Meeting	Major resolutions reached in the 2024 Audit Committee meeting	
			meeting, and the motion was passed by all members attending the meeting without objections.
		Proposal 2	Periodically evaluate the independence and competence of CPAs
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 3	Non-assurance Engagements Provided by Deloitte Taiwan in 2024.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 4	Review 2024 audit fee proposed by Deloitte Taiwan.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 5	The Company intends to endorse and guarantee a short-term loan of US$5 million from Taishin International Bank for its subsidiary, SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 6	The issue that the subsidiary Power Logic Tech. Inc. intends to apply to Taishin International Bank for a secured loan as short-term working capital within the limit of NT$121 million.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
2024/3/14	11th meeting of the 3rd term of the Audit Committee	Proposal 1	Issues of communications by and between the certified public accountants and the Audit Committee after the financial statement of Fiscal 2023 were duly audited
		Resolutions	The CPAs communicated with the four independent directors separately. The four members attended the meeting, and the motion was passed by all members attending the meeting without objections.
		Proposal 2	The 2023 Business Report and consolidated financial statements of 2023.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 3	The Company’s 2023 earnings distribution.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.

Meeting date	Meeting	Major resolutions reached in the 2024 Audit Committee meeting	
		Proposal 4	This is the issue that the subsidiary Power Logic Tech. Inc. intends to sign with Taishin International Bank for a secured loan as short-term working capital of NT$121 million. It is an application for the use of the funds.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 5	The declaration of the Company's 2023 internal control system
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 6	It is planned to formulate the "Supervision and Management of Subsidiaries" in the Internal Control System – Circular Internal Control Process Under Other Management Regulations of the subsidiaries, TeamPlan Company and Sunny Sharp International Limited Taiwan Branch.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 7	Amendment to "Rules of Procedure for Board of Directors Meetings."
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 8	Amendments to "Audit Committee Charter".
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 9	Amendments to the Company's Rules Governing Remuneration of Directors and Managerial Officers.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
2024/5/9	12th meeting of the 3rd term of the Audit Committee	Proposal 1	2024 Q1 consolidated financial statements
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 2	Loaning of funds from the subsidiaries, "UNITED STRATEGY INC. (TCS)," "Power Logic Tech. Inc.," and "SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH to the parent company," "SUNMAX TECH LIMITED (Dyna Rechi Co., Ltd.)," for working capital.

Meeting date	Meeting	Major resolutions reached in the 2024 Audit Committee meeting	
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 3	The Company's "Regulations Governing the Relevant Financial and Business Operations between Related Parties" were added.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
2024/8/15	13th meeting of the 3rd term of the Audit Committee	Proposal 1	Issues of communications by and between the certified public accountants and the Audit Committee after the financial statement of 2024 Q2 were duly audited
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 2	2024 Q2 consolidated financial statements
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 3	Loaning of funds from the subsidiaries, "UNITED STRATEGY INC.," "POWER LOGIC HOLDINGS INC.," and "POWER LOGIC TECH. INC." to the parent company, "SUN MAX TECH LIMITED" as working capital
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 4	Amendment to the "Seal Management," "Petty Cash Management," "Property Management" and "Authorization of Duties and Deputy System" of Internal Control System – Internal Control System – Circular Internal Control Process Under Other Management Regulations of the Company, SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH, Power Logic Tech. Inc., Cicheng Technology Co., Ltd., SUN MAX TECH LIMITED. And Power Logic (JiangXi TAI YI). CO., LTD., and amendment to the "Seal Management" of the Enforcement Rules of the Company's Internal Audit System.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
2024/9/13	14th meeting of the 3rd term of the Audit Committee	Proposal 1	Proposal to authorize the Chairperson to find and purchase the office and parking space for the real estate.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.

Meeting date	Meeting	Major resolutions reached in the 2024 Audit Committee meeting	
		Proposal 2	Proposal to authorize the Chairperson to dispose three real estates at No. 16, Jianba Road, Zhonghe District, New Taipei City for sale.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
2024/11/6	15th meeting of the 3rd term of the Audit Committee	Proposal 1	2024 Q3 consolidated financial statements
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 2	The Company's 2025 operating plan and budget
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 3	It is proposed that the Company endorse two loans, RMB58 million and NT$40 million, from China Trust Bank to its 100% owned sub-subsidiaries, POWER LOGIC TECH. INC, Taiyi (Jiangxi) Electronic Technology Co., Ltd. and subsidiary, SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 4	The subsidiary, Power Logic Tech. Inc., intended to apply to Taishin International Bank for an increase in the amount of mortgage of NTD 220 million.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 5	The Company has amended the "Accounting Professional Judgment Procedure, Accounting Policies and Estimation Value Changes Procedure" of Internal Control System – Circular Internal Control Process Under Other Management Regulations of the Company, and amended the "Internal Audit Implementation Rules" and "Internal Control System Self-Assessment Operating Procedure" to comply with the current operations.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 6	According to Article 13 of the "Regulations Governing Establishment of Internal Control System by Public Companies," the Company's Audit Office has formulated the 2025 audit plan according to the results of risk assessment.

Meeting date	Meeting	Major resolutions reached in the 2024 Audit Committee meeting	
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 7	Amended the “Accounting Professional Judgment Procedure, Accounting Policies and Estimation Value Changes Procedure” of the Company
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 8	Amendments to the Company’s “Regulations Governing the Preparation of Sustainability Reports”
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 9	Amendments to “Corporate Governance Best-Practice Principles” and “Audit Committee Charter”.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.

Meeting date	Meeting	Major resolutions reached in the 2025 Audit Committee meeting	
2025/1/13	16th meeting of the 3rd term of the Audit Committee	Proposal 1	Communications with the Audit Committee are audited by Deloitte & Touche Taiwan (hereinafter, “Deloitte”) in 2024.
		Resolutions	The CPAs communicated with the four independent directors separately. The four members attended the meeting, and the motion was passed by all members attending the meeting without objections.
		Proposal 2	Replacement of CPAs in 2025 and assessment of their independence and competence
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 3	Review 2025 audit fee proposed by Deloitte Taiwan.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 4	Non-assurance Engagements Provided by Deloitte Taiwan in 2025.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.

Meeting date	Meeting	Major resolutions reached in the 2025 Audit Committee meeting	
		Proposal 5	The Company intends to endorse and guarantee a short-term loan of US$5 million from Taishin International Bank for its subsidiary, SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 6	The issue that the subsidiary Power Logic Tech. Inc. intends to apply to Taishin International Bank for a secured loan as short-term working capital within the limit of NT$121 million.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 7	Amendment to the Company's "Regulations Governing the Management of Intellectual Property Rights"
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 8	Amendments to the "Articles of Incorporation".
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.

(III) How The Company's actual governance differs from The Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies and why:

Items for evaluation	Implementation Status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
	Yes	No	Summary	
I. Will the Company based on the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" set up and disclose the Company's corporate governance best-practice principles?	V		The Company has set up the "Code of Practice for Corporate Governance" and persists in safeguarding shareholders' rights, strengthening the board's functions, bringing the board's functions into full play, respecting stakeholder rights, enhancing information transparency, and other important corporate governance principles. It also establishes relevant corporate governance regulations, such as the "Board Meeting Rules," "Remuneration Committee Charter," "Internal Major Information Processing and Inside Trading Prevention Management," "Internal Audit System," "Code of Business Integrity and Conduct Guidelines," etc. Further, according to relevant laws and regulations, it discloses major company information, as well as financial and non-financial information. The board shall also comply with responsibilities given by shareholders to guide corporate management and effectively supervise management functions and disclosed on the "Corporate Governance Area- Rules and Regulations" on the company website for details.	No significant difference
II. Shareholding structure and shareholders' equity				
(I) Will the Company have the internal procedures regulated to handle shareholders' proposals, doubts, disputes, and litigation matters; also, have the procedures implemented accordingly?	V		The Company has commissioned a stock agency to handle stock affairs and set up dedicated stock units, as well as spokespersons and representative spokesperson mechanisms in order to handle shareholder suggestions, inquiries, disputes, and legal affairs.	No significant difference
(II) Will the Company possess the list of the	V		The Company learns about the Company's main shareholders and	No significant difference

Items for evaluation	Yes	No	Implementation Status Summary	Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
Company's major shareholders and the list of the ultimate controllers of the major shareholders?			changes in the final controllers of main shareholders through the internal declaration system.	
(III) Will the Company establish and implement the risk control and firewall mechanisms with the related parties?	V		Assets and financial management in each associated company are independent from each other. The Company has established "Rules Governing Business and Financial Matters among the Group Companies, Specific Entities and Insiders" with thorough reinforcement, especially on risk and fire wall managements.	No significant difference
(IV) Will the Company set up internal norms to prohibit insiders from utilizing the undisclosed information to trade securities?	V		The Company has duly enacted "Management over Major Internal Information and Management to Prevent Insider Trading" to ban insiders of the Company from trading negotiable securities taking advantage of information not yet disclosed to the market. Routinely, the Company strengthens advocacy and publicity toward law compliance to enable the entire staff to become aware of the relevant provisions for faithful compliance. Article 9 of the "Corporate Governance Best-Practice Principles" stipulates that staff (including but not limited to directors) shall not trade stocks 30 days, the closure period, before the announcement of the annual report or 15 days before the announcement of the quarterly financial report. The policy to prevent insider trading was promulgated for all directors and managerial officers on April 16, 2024, and toward all directors and the entire staff (including managerial officers) on September 16, 2024. It also advises directors and insiders to observe the period during which stock trading is closed prior to the public announcement of the financial report. The contents so promulgated were further disclosed through the "Corporate Governance –	No significant difference

Items for evaluation	Yes	No	Implementation Status Summary	Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
			Corporate Governance" section on the company's website.	
III. The constitution and obligations of the board of directors				
(I) Is there a diversity policy with specific objectives and implementation approaches for the composition of the board of directors?	V		The Board has stipulated "Corporate Governance Best Practice Principles" and "Board Diversity Policy." The established management goals and implementation status are as follows: Target: According to Article 19 under "Corporate Governance Best Practice Principles," the composition of the board of directors shall be determined by taking diversity into consideration, such as gender, age, nationality and culture. The directors shall possess various professional knowledge, skills and industry experience and have the knowledge, skills and experience necessary to perform their duties. Nomination for the 2022 Board of directors included a female member and an independent director of a different professional field. In the future, the Company will continue to make sure that at least one-third of the board is female. The Composition of the Company's Board of Directors has taken an integrated approach, including the abilities to make operating judgments, perform accounting and financial analysis, conduct management administration and exercise crisis management, industry knowledge and international market perspectives, as well as the abilities to lead and make policy decisions. To increase knowledge in issues concerning the economy, environment and society for the top governing body, the house training courses provided to the board members will not be shorter than six hours every year, with external instructors invited. Achievement: The 4th Board of Directors is composed of seven members. Non-employee directors account for 71% (83% in 3rd	No significant difference

Items for evaluation	Implementation Status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
	Yes	No	Summary	
			term); independent directors account for 100%; female directors (including independent members) account for 14% (0% in 3rd term). The backgrounds covered include finance, business, laws and industry management, etc., which are necessary for the Company's operation and strategy directions. For implementation of Board diversity, please see Pages 18~19 in the annual report with the advocacy disclosure made available under "Corporate Governance-> Board of Directors" and "Corporate Governance-> Important Policies."	
(II) Will the Company, in addition to setting the Remuneration Committee and Audit Committee lawfully, have other functional committee set up voluntarily?		V	In addition to the Remuneration Committee and Audit Committee established as required by the law, the "Nomination Committee" was added on January 13, 2025.	No significant difference
(III) Has the Company had the rules governing the performance evaluation of the board of directors and evaluation methods stipulated, the performance evaluation performed annually and regularly, the results of the performance evaluations reported to the board of directors, and the evaluation result applied as a reference for individual director's remuneration and nomination for re-election?	V		The Company has duly enacted the Regulations Governing Evaluation of Performance by the Board of Directors and the methods to evaluate the same. In each and every year, exactly in accordance with the evaluation procedures and evaluation indices set forth under Articles 6 and 8 of "Regulations Governing Evaluation of Performance by the Board of Directors", the Company carried out evaluation of performance by the Board of Directors. Besides, once in every three years as the minimum, the Company outsourced external professional and independent institution(s) or external scholars and experts group to conduct one evaluation. For the implementation of the 2024 internal performance evaluation of the Board of Directors please see Pages 33~35 in the annual report.	No significant difference

Items for evaluation	Yes	No	Implementation Status Summary	Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
			The 2024 internal performance evaluation of the Board of Directors was reported to the Board meeting on January 13, 2025. According to the report of the Board of Directors on January 13, 2025, the Board of Directors has appointed the external organization, "Financial Research and Development Foundation" to conduct the performance evaluation of the Board of Directors from January 1, 2023 to September 21, 2024, and has also issued a performance evaluation report of the Board of Directors. Please refer to pages 35~37 of this annual report for details. Internal/External performance evaluation of the Board of Directors is disclosed on the website under the "Corporate Governance-> Board of Directors-> Report of Performance evaluation of the Board of Directors." The Company stipulated Rules Governing Director and Officer Remuneration, and the remuneration of directors and independent directors shall refer to the performance evaluation result of the Board of Directors, and adjust the same.	
(IV) Will the Company have the independence of the public accountant evaluated regularly?	V		The Company's appointment of certified public accountants (CPA) shall be passed by the board, and the independence of CPAs shall be periodically assessed. The Company has conducted the assessment based on the five aspects and 13 indicators of "Audit Quality Indicators (AQIs)" announced by Article 47 under the Certified Public Accountant Act and the Bulletin of Norm of Professional Ethics for Certified Public Accountants of the Republic of China No. 10, which was passed by the Board meeting held on January 13, 2025. Assessment Items include: (1)For the latest audit, whether the Company has engaged the same CPAs without replacement for 7 years	No significant difference

Items for evaluation	Yes	No	Implementation Status Summary	Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
			consecutively; (2)whether the CPAs have significant financial stakes or inappropriate relationship with the Company; (3)whether the CPAs have ensured integrity, (4)honesty and independence from their working personnel; (5)whether the CPAs had worked under the Group two years before conducting independent audit for the Company; (6)whether the CPAs have permitted others to practice under his or her names; (7)whether the CPAs have equity stakes or financing relations with any Group entities; (8) there is no money loan with the company or its conglomerates.; (9)whether the CPAs jointly hold stakes on ventures with any Group companies; (10)whether the CPAs hold regular working positions in any Group companies that pay him or her regular compensation; (11)whether the CPAs involved in policy making in any Group companies; (12)whether the CPAs own businesses that could compromise his or her independence; (13)whether the CPAs have family relationships within second degree of kinship with any executives in any Group companies; (14)whether the CPAs receive illicit returns from facilitating a transaction. (15)As of today, no matters involving discipline or violating independence of the CPAs have discovered. The Company has a professional and independent business relationship with its independent auditors after the evaluation. For the evaluation of the independence and suitability of the external auditors please see Page 109 of the annual report.	
IV. Has the Company had an adequate number of corporate governance personnel with appropriate qualifications, and	V		On May 12, 2023, the Board of Directors resolved that the position of Corporate Governance Supervisor would be held concurrently by the Vice President, YAO, Cheng-Min, assisted by the stock affairs unit, with the primary	No significant difference

Items for evaluation	Implementation Status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
	Yes	No	Summary	
appointed a chief corporate governance officer to be in charge of corporate governance affairs (including but not limited to furnishing information required for business execution by directors and supervisors, assisting directors and supervisors with legal compliance, handling matters relating to board meetings and shareholders meetings according to law, handling the registration and change registration of the company, producing minutes of board meetings and shareholders meetings, etc.)?			responsibility of providing the directors with the necessary information for the execution of the Board of Directors/shareholders meetings, collecting the latest development of the laws and regulations related to the operation of the Company, and assisting the directors in legal compliance matters. The audit unit implements the audit procedures in accordance with the audit plan and periodically reports to the Board of Directors on the status of implementation and tracks improvements. The legal unit assists directors and independent directors to understand relevant laws and regulations. The audit unit will evaluate the compliance with relevant laws, regulations, policies and procedures.	
V. Has the Company established a communication channel with the stakeholders (including but not limited to the shareholders, employees, customers, and suppliers), set up a stakeholder section on the Company's website, and responded appropriately to the important corporate social responsibilities concerned by the stakeholders?	V		In response to varied circumstances, the Company has set up sound channels for communications toward shareholders, employees, customers and suppliers. Externally, the Company has set up the spokesman and acting spokesman(men) system and has strictly compiled with the same accordingly. On all key information, the Company promulgates exclusively through the spokesman process acting spokesman(men). The Company's litigation and non-litigation representatives are responsible for the disclosure of representative information and serve as communication channels between the Company and stakeholders. We have created a "Corporate Social Responsibility-Stakeholders" area to communicate any related issues with the interested parties.	No significant difference

Items for evaluation	Yes	No	Implementation Status Summary	Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
			Matters regarding stakeholder issues, communication means and responding frequency have disclosed under "Corporate Social Responsibility-Stakeholders." The implementation of each external mail box and the handling during 2024 was discussed in the Board meeting on January 13, 2025 and disclosed under "Corporate Social Responsibility-Stakeholders."	
VI. Has the Company commissioned a professional stock service agent to handle shareholders affairs?	V		The Company has commissioned "Concorde Securities Co., Ltd.," a professional stock representative institution in Taiwan, to handle all stock matters.	No significant difference
VII. Disclosure of information				
(I) Does the Company have a website setup and the financial business and corporate governance information disclosed?	V		The Company has set up its website (www.sun-max.com.tw), and relevant company information will continue to be disclosed thereupon. In addition, according to relevant provisions, relevant information will be disclosed on the Public Information Observatory.	No significant difference
(II) Has the Company adopted other information disclosure methods (such as, establishing an English website, designating a responsible person for collecting and disclosing information of the Company, substantiating the spokesman system, placing the juristic person seminar program on the Company's website, etc.)?	V		The Company has set up websites in both Chinese and English (www.sun-max.com.tw) and has further provided information aiming at the Company's financial conditions and corporate governance related information. The Company has assigned specific personnel to take charge of collection and disclosure of key information of the Company. Moreover, the Company has set up the spokesman and acting spokesman(men) system. The Company discloses the Institutional Investor Conferences related information onto "Relationship with Investors—Special Zones for Shareholders" special zone.	No significant difference
(III) Has the Company announced and declared its financial report within 2 months after the end of the		V	The Company filed revenue for each month in 2024 on the 10th day of each month. The Company announced and filed the financial statements for 2024 Q1, Q2 and	All financial statements and monthly revenue figures were filed and published

Items for evaluation	Implementation Status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
	Yes	No	Summary	
fiscal year, and announced and declared the quarterly financial report of Q1, Q2, and Q3 and the monthly business report before the deadline?			Q3 within forty-five days after the end of Q1, Q2 and Q3 of each year. The Company announced and filed the electronic record of self-reported financial information for the annual financial statement for 2024 on March 14, 2024 within 75 days after the fiscal year ended.	within the deadline mandated by the laws in 2024. Further evaluation will be made for the feasibility of early filing and publication.
VIII. Are there any other important information (including but not limited to the interests of employees, employee care, investor relations, supplier relations, the rights of stakeholders, the advanced study of directors and supervisors, the implementation of risk management policies and risk measurement standards, the execution of customer policy, the purchase of liability insurance for the Company's directors and supervisors) that are helpful in understanding the corporate governance operation of the Company?	V		Important Information Conducive to an Insight into the Company's Corporate Governance Operations: 1. Employee Care: The Company has specified the percentage of employee compensation in its Articles of Association. And in accordance with the "Measures for Employee Performance Evaluation," the operating results are appropriately reflected in employee compensation according to the operating objectives, operating performance and contribution, to employee sharing. Information regarding employee benefits is disclosed on the website under "Corporate Governance-> Employee Benefits." 2. Employment Care: Through a welfare system that enriches and stabilizes employees' lives, mutually trusting and good relationships with employees are established. Perks such as irregularly held meal gatherings, providing employees with parking spaces, fixed payments for birthday celebrations, etc. 3. Investor Relationship: A dedicated personnel and email box have been appointed to ensure healthy communication to our investors. The associated information has been disclosed under "Corporate Social Responsibility-Stakeholders."	No significant difference

Items for evaluation	Yes	No	Implementation Status Summary	Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
			4. Supplier Relations: Explicit agreements with suppliers are set up to regulate each other's rights and obligatory relations. 5. Rights of Shareholders: Shareholders may communicate, give suggestions, and main proper legal rights through the Company's spokesperson and representative spokesperson system. 6. The status of the continuing education of directors and supervisors: All seven directors of the Company have attended the 6-hour continuing and professional education for directors; the Company has an Audit Committee and no supervisors. 7. Risk Management Policy and Risk Measurement Standard Execution Situation: The Company has set up its internal control system and relevant management guidelines, through which executions are carried out. In addition, auditors shall conduct executions and inspections according to the annual audit plan in order to reduce and prevent any possible risks. 8. Customer Policy Execution Situation: The dedicated department is responsible for client inquiries and complaint channels. 9. Professional liability insurance for the protection of the Directors and the Supervisors: The Company has taken professional liability insurance for the protection of the Directors of the Company. (For Market Observation Post System, please go to http://mops.twse.com.twhttp://mops.twse.com.tw) 10. We have prepared the "Succession Plan Operating Guidelines". A successor needs to have key	

Items for evaluation	Yes	No	Implementation Status Summary	Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
			abilities, including core job competency, management competency, professional (functional) competency, and regular competency, as well as the ability of decision-making and insights, creativity and sensitivity, agility and continuance, soft power and growing power, diversity and professionalism, ability of cultivating talents and of communication, self-discipline and moral characteristic. Systematic and standard processes will help the organization maintain the continuity of operating and management, and achieve the goals.	

IX. State of corrective action taken for responding to the results of the corporate governance assessment announced by Taiwan Stock Exchange Corporation in the Corporate Governance Center the most recent fiscal year, and the priority for improvement on issues pending further corrective action and related measures.

The Company's corporate governance evaluation range was 51–60% in 2023. As of the date of publication of the annual report, the results of the corporate governance evaluation for 2024 have not been announced.

The Company's expected achievements of the 2025 Corporate Governance Evaluation Indicators:

1. Indicator 4.3: Does the Company regularly disclose the concrete promotion plan and implementation results of ESG on its website, annual report or sustainable report?
   Expected implementation: The 2024 Sustainability Report will be uploaded for public announcement within the specified period, and will be placed on the official website.
2. Indicator 4.4: Does the Company's sustainability report refer to SASB guidelines to disclose relevant ESG information?
   Expected implementation: The 2024 Sustainability Report will disclose relevant ESG information in accordance with SASB standards.
3. Indicator 4.24: Has the sustainability report prepared by the Company been submitted to the Board of Directors for approval?
   Expected implementation: After the 2024 Sustainability Report has been prepared, it is submitted to the Board of Directors for approval.

(IV) The composition and operation of the Remuneration Committee:

(1) Information on the members of the Remuneration Committee

Identity / Condition / Name		Professional qualification and experience	State of independence	Number of public companies where the members of the Remuneration Committee are also the members of the remuneration committees of these companies
Independent director (Convener)	CHEN, Tien-Szu	Having served with Cameo Communications, Inc. as a managerial officer in its management, in possession of hands-on experiences accumulated electronic industry; highly conducive toward the Company in business operations currently serving as the Company's independent director. Does not meet any descriptions stated in Article 30 of The Company Act. The relevant working experience is about 32 years.	1. The independent statements from the independent directors were submitted at the nomination and election. 2. In compliance with "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" in a two-year period prior to being elected and the qualifications under Article 3. 3. No more than three consecutive office terms shall be undertaken by any independent board member.	0
Independent director	HSIEH, Yu-Tien	Possess professional capacity and relevant working experiences in business, banking business and financial analysis. A former instructor in Chinese Culture University, Jinwen University of Science and Department of Business Administration, Shih Chien University and Technology. A current independent director of the Company. Does not meet any descriptions stated in Article 30 of The Company Act. The relevant working experience is about 40 years.	1. The independent statements from the independent directors were submitted at the nomination and election. 2. In compliance with "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" in a two-year period prior to being elected and the qualifications under Article 3. 3. No more than three consecutive office terms shall be undertaken by any independent board member.	1
Independent director	CHIU, Shih-Fang	As an Attorney-at-Law having satisfactorily passed the national level	1. The independent statements from the independent directors were	3

		examination with official license, currently serving with Derkai Attorneys-at-Law Office as the leading Attorney-at-Law, having successfully guided a good number of companies to be listed in the stock exchanges or OTC, with hands-on experiences accumulated in legal affairs, having appropriately offered professional proposals to the Company, significantly conducive to the Company in its business operations, serving as the Company's independent director. Does not meet any descriptions stated in Article 30 of The Company Act. The relevant working experience is about 16 years.	submitted at the nomination and election. 2. In compliance with "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" in a two-year period prior to being elected and the qualifications under Article 3. 3. No more than three consecutive office terms shall be undertaken by any independent board member.	
Independent director	Kuan Chih-Liang	Possesses the professional capacity and relevant working experiences in applied economics and business management. Working experience include being Dean of Academic Affairs, Kainan University, Strategy Mentor, Wolfnet Start Up A + On-Site Incubator and Consulting Program Brand Innovation Think Tank, General Chamber of Commerce of the Republic of China. Current Director and Graduate Program Director, School of Applied Economics and Business Administration, National Ilan University and an Independent Director of the Company. Does not meet any descriptions stated in Article 30 of The Company Act.	1. The independent statements from the independent directors were submitted at the nomination and election. 2. In compliance with "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" in a two-year period prior to being elected and the qualifications under Article 3. 3. A new independent board member who has not taken the position for more than three terms.	3

(2) The operation of the Remuneration Committee

1. The Remuneration Committee of the Company is consisted of 3 persons.

2. The term of office for the current committee members: May 31, 2022 to May 30, 2025. Four meetings (A) were convened by the Compensation Committee in 2024, the qualification and meeting attendance of the committee members are as follows:

Title	Name	Actual number of attendance (B)	Attend through proxy	Attendance rate (%) (B/A)	Remarks
Independent director (Convener)	CHEN, Tien-Szu	4	0	100%	
Independent director	CHIU, Shih-Fang	4	0	100%	
Independent director	Kuan Chih-Liang	4	0	100%	

Other notes:

1. The Board may not accept the recommendations of the Remuneration Committee, or revise the recommendations, specify the date of the Board meeting, the term, the content of the motion, the resolution of the Board, and the response of the Board towards the opinions of the Remuneration Committee (e.g., the remuneration package passed by the Board is superior to the recommendation of the Remuneration Committee, specify the difference and the reasons): None.
2. If any of the members of the Remuneration Committee hold adverse opinion or qualified opinions with record or in written declaration against the resolutions of the committee, specify the date and the session of the committee meeting, the content of the motion, the opinions of all members and the response to the opinions of the members: None.

(3) Important Resolutions and Handling Situation of the Remuneration Committee in 2024.

Meeting date	Meeting	Important Resolutions of The Remuneration Committee in 2024	
2024/1/25	5th meeting of the 3rd term of the Remuneration Committee	Proposal 1	Motion go distribute year-end bonus for 2023
		Resolutions	The proposal was passed without objections through a show of hands from the three attending directors. All three directors voted in favor of the proposal.
		Proposal 2	Proposal for 2024 criteria of the performance evaluation and compensation standards for Board of Directors and the general managers.
		Resolutions	The proposal was passed without objections through a show of hands from the three attending directors. All three directors voted in favor of the proposal.
		Proposal 3	The Company’s salary adjustment for 2024.
		Resolutions	The proposal was passed without objections through a show of hands from the three attending directors. All three directors voted in favor of the proposal.
		Proposal 4	Promotion and compensation proposals for the Company
		Resolutions	The proposal was passed without objections through a show of hands from the three attending directors. All three directors voted in favor of the proposal.

Meeting date	Meeting	Important Resolutions of The Remuneration Committee in 2024	
2024/3/14	6th meeting of the 3rd term of the Remuneration Committee	Proposal 1	The Company's 2023 Employee Remuneration and Directors Remuneration Distribution Case
		Resolutions	The proposal was passed without objections through a show of hands from the three attending directors. All three directors voted in favor of the proposal.
		Proposal 2	Amendments to the Company's Rules Governing Remuneration of Directors and Managerial Officers.
		Resolutions	Resolution: This resolution is a comprehensive adjustment and does not involve individual directors' remuneration or harm to the Company's interests. According to Article 9-1 of the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter," the three independent directors do not need to recuse themselves from this proposal. The proposal was passed without objections through a show of hands from the three attending directors. All three directors voted in favor of the proposal.
2024/8/15	7th meeting of the 3rd term of the Remuneration Committee	Proposal 1	"SUN MAX TECH LIMITED Employee Welfare Trust Plan Committee" was established
		Resolutions	The proposal was passed without objections through a show of hands from the three attending directors. All three directors voted in favor of the proposal.
2024/11/6	8th meeting of the 3rd term of the Remuneration Committee	Proposal 1	Reconfirmation of the remuneration to the new Assistant General Manager of Business Department I and Business Department II
		Resolutions	The proposal was passed without objections through a show of hands from the three attending directors. All three directors voted in favor of the proposal.

Meeting date	Meeting	Important Resolutions of The Remuneration Committee in 2025	
2025/01/13	9th meeting of the 3rd term of the Remuneration Committee	Proposal 1	2024 distribution of year-end bonus to managers
		Resolutions	The proposal was passed without objections through a show of hands from the three attending directors. All three directors voted in favor of the proposal.
		Proposal 2	Proposal for 2025 criteria of the performance evaluation and compensation standards for Board of Directors and the general managers.
		Resolutions	The proposal was passed without objections through a show of hands from the three attending directors. All three directors voted in favor of the proposal.
		Proposal 3	The Company's salary adjustment for 2025.
		Resolutions	The proposal was passed without objections through a show of hands from the three attending directors. All three directors voted in favor of the proposal.

(V) Information on Nomination Committee Members and Operation:

The Company's Board of Directors approved the establishment of the Nomination Committee on January 13, 2025. The committee shall exercise the due care of a good administrator to perform the following duties, and submit recommendations to the Board of Directors for discussion:

1. Formulate and review the standards and succession plans for the election of directors and managers.
2. The Board of Directors shall select and review the list of candidates for the seats of directors and managers, assess the independence of the independent directors, and propose a list of candidates to the Board of Directors.
3. Formulate and review the establishment, duties and operations of each committee of the Board of Directors, and review the qualifications and potential conflicts of interest of each committee member.
4. Formulate and regularly review the directors' continuing education plan and the succession plan for managers.
5. Any other matters resolved by the Board of Directors to be handled by the Committee.

(1) The Company's Nomination Committee consists of five members, and the convener is Independent Director Chiu Shih-Fang.

(2) The term of office for the first term of the Nomination Committee is from January 13, 2025 to May 30, 2025.

As of March 31, 2025, the Nomination Committee held two meetings (A). The qualification and attendance of members is as follows:

Title	Name	Professional qualification and experience	Actual number of attendance (B)	Attend through proxy	Attendance rate (%) (B/A)	Remarks
Independent director (convener)	CHIU, Shih-Fang	As an Attorney-at-Law having satisfactorily passed the national level examination with official license, currently serving with Derkai Attorneys-at-Law Office as the leading Attorney-at-Law, with hands-on experiences accumulated in legal affairs,	2	0	100%	

Title	Name	Professional qualification and experience	Actual number of attendance (B)	Attend through proxy	Attendance rate (%) (B/A)	Remarks
		having appropriately offered professional proposals to the Company, significantly conducive to the Company in its business operations, serving as the Company's independent director.				
Independent director	CHEN, Tien-Szu	In possession of hands-on experiences accumulated electronic industry; highly conducive toward the Company in business operations.	2	0	100%	
Independent director	HSIEH, Yu-Tien	Possesses the professional capacity and relevant working experiences in business, banking business and financial analysis. A former instructor in Chinese Culture University, Jinwen University of Science and the Department of Business Administration, Shih Chien University and	2	0	100%	

Title	Name	Professional qualification and experience	Actual number of attendance (B)	Attend through proxy	Attendance rate (%) (B/A)	Remarks
		Technology. A current independent director of the Company.				
Director	SINOTEAM HOLDINGS INC. Representative: HSU Wen-Faung	In abundant outlook toward markets in the international community, diversified thinking mode, profound cultivation of industrial strength, comprehensive business technology & know-how and skill, humanistic literacy as well as management under sound leadership; serving as the chairman of SUN MAX Group and independent director of LinkCom manufacturing Co., Ltd. leadership in business management; serving	2	0	100%	
Director	LUXURY SHINE INTERNATIONAL LIMITED Representative: Chang Yuan-Fen	Elected as a director of the Company for years of contribution to the Group in various fields and professional opinions offered for	2	0	100%	

Title	Name	Professional qualification and experience	Actual number of attendance (B)	Attend through proxy	Attendance rate (%) (B/A)	Remarks
		improving financial matters.				

Other notes:

The meeting date, session, motion content, suggestions or objections of the Nomination Committee, resolution of the Nomination Committee, and the Company's handling of the Nomination Committee's opinions as of March 31, 2025:

Meeting date	Meeting	Important resolutions of The Remuneration Committee in 2025	
2025/01/13	1st meeting of the 1st term of the Nomination Committee	Proposal 1	Election of the convener of the 1st term of the Nomination Committee
		Resolutions	Hsu Wen-Fang, the representative of SINOTEAM HOLDINGS INC., elected Chiu Shih-Fang, Independent Director, as the convener. Other members of the Board of Directors approved the proposal. The independent director, Chiu Shih-Fang, agreed to serve as the convener. It was resolved to have the independent director, Chiu Shih-Fang, as the convener of the first meeting of the first term of the Nomination Committee.
2025/03/10	2nd meeting of the 1st term of the Nomination Committee	Proposal 1	Nomination of candidates for the election of the 5th Board of Directors
		Resolutions	The proposal was passed without objections through a show of hands from the five attending directors. All five directors voted in favor of the proposal.

(VI) Promotion of sustainable development and its implementation status and deviations from Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons:

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
I. Has the Company established a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, which is authorized by the Board of Directors to be handled by senior management, and the supervision situation of the Board of Directors?	V		The Board of Directors has approved the establishment of the "Sustainable Development Promotion Team" in 2023, covering corporate governance, sustainable environment, supply chain/partners, social responsibility, and other functions. The team members are the heads of each department, including the audit, stock affairs, finance, information security, human resources, research and development, Jiangxi decision-making supervisor, and Dongguan decision-making supervisor. The team will regularly review the progress of sustainable development and plan for future sustainability plans. At least once a year, we report to the Board of Directors on the implementation of the plan and the results. It is expected that the "Sustainable Development Committee" will be formally established under the jurisdiction of the Board of Directors in 2025, to declare our determination to continue to move toward sustainable governance. The implementation of the Group's carbon inventory and the promotion of sustainable development were reported to the Board of Directors on August 15 and November 6, 2024, respectively. "Sustainable Development Promotion Team" is a cross-department communication unit that integrates vertically and horizontally. Responsible for the formulation, revision and amendment of the relevant systems and regulations related to sustainable development,	No significant difference

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			promotion and supervision of the Company's sustainable development policy and plan, regular tracking and evaluation of the progress and effectiveness of sustainable development, to ensure the Company continues to move toward a sustainable strategic direction.	
II. Does the Company conduct risk assessments of environmental, social and corporate governance issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	V		The data disclosure includes the Company's sustainable development performance at the main sites from January to December 2024. The risk evaluation boundary is centered on the Company, including the existing locations in Taiwan and China. Based on the relevance with the operation, and influence on critical topics, the scope covers the subsidiaries - Chichen Technology Co. Ltd., Power Logic Tech. (DongGuan) Inc. and Taiyi (Jiangxi) Electronic Technology Co., Ltd. Based on the materiality principle, the Company conducted risk evaluations on the environmental issues, social, and corporate governance issues related to the Company's operations: I. Operational environmental risk 1. The Company's products are all compliant with environmental protection regulations, and the factory of Power Logic (JiangXi TAI YI). CO., LTD. and SUN MAX TECH LIMITED have passed the certification of the ISO 14001 environmental management system and the ISO 50001 energy management system, and continue to update the certification in accordance with the relevant requirements.	No significant difference

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			2. According to the assessment of risks responding to climate change identified by the TCFD, the results of the cross-departmental discussion on climate risks and opportunities were identified, and two opportunities and six risks were identified. 3. According to ISO 14064-1, the Company inspects the greenhouse gas emissions annually and reviews the impacts faced by the Company's operations. II. Operating Social risk 1. In 2024, the factory of Power Logic (JiangXi TAI YI). CO., LTD. and SUN MAX TECH LIMITED will be certified for the ISO 45001 Occupational Health and Safety Management System. The Company will continue to operate and manage occupational safety risks according to system requirements. 2. The factory of Power Logic (JiangXi TAI YI). CO., LTD. and SUN MAX TECH LIMITED holds fire drills and industrial safety training on a monthly basis. The training helps employees develop the ability to respond to emergencies and manage their own safety. In 2024, the training hours of Power Logic (JiangXi TAI YI). CO., LTD. were 1,543 hours, and the training hours of SUN MAX TECH LIMITED were 1,223 hours. 3. The Company has fully upgraded its information security protection capabilities, strengthened information security management through hardware and software upgrades, and held four information security promotion activities in 2024. III. Operating corporate governance risk	

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			1. Continue to strengthen the functionality of the Board. The Board adopts procedures and structures to inform, guide, manage, and supervise the company's activities to reach its goals. 2. The respective units performed a self-inspection, which was reviewed by the internal audit unit. The comprehensive self-inspection results were reported to the board of directors, and the units' assessment results were reported to the board of directors on March 10, 2025. A statement regarding the 2024 internal control system was issued in accordance with the regulations. Through the "Procedures for Ethical Management and. Guidelines for Conduct", "Ethical Corporate Management Best Practice Principles", ISO14064-1 greenhouse gas inventories and ISO14001 Environmental Management System Certification, conducted risk evaluations on the environmental issues, social, and corporate governance issues related to the Company's operations, and developed the policies and strategies of risk management.	
III. Environmental Issues				
(I) Does the Company have an appropriate environmental management system established in accordance with its industrial character?	V		1. The factory of Power Logic (JiangXi TAI YI). CO., LTD. and SUN MAX TECH LIMITED have established the ISO 14001 environmental management system and have passed the third-party verification. (Validity period: 2024/7/2–2027/7/1). 2. The Company conducts annual greenhouse gas inventory in accordance with the ISO 14064-1 standard, conducts third-party verification, tracks carbon emissions data, and discloses the results on the sustainable report and the Company's website.	No significant difference

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
(II) Is the Company committed to improving the efficiency of resource utilization and using recycled materials with low impact on the environment?	V		The main raw material of the Company's surplus is plastic material. Furthermore, defective materials or scraps during the production process are scrapped and recycled by a legitimate cleaning company. The raw materials used by the Company are in compliance with the RoHS, REACH and halogen-free specifications of the European Union. The product packaging materials are also made of recycled materials, such as corrugated cardboard boxes and corrugated partitions, to reduce environmental impact.	No significant difference
(III) Does the Company assess the potential risks and opportunities of climate change for companies now and in the future, and take measures to address climate-related?	V		The Company has completed the preliminary risk assessment to evaluate how climate change affects the operation of risks and opportunities in accordance with the TCFD framework, and it is expected to initiate the evaluation process every three years and review and update it every year. The Company completed the first climate risk assessment in 2024, identifying short-term, mid-term and long-term climate risks and opportunities, and drawing up countermeasures. The detailed description of the Company's analysis of climate change risks and opportunities is also disclosed on the Company's website and the annual sustainability report.	No significant difference
(IV) Does the Company count greenhouse gas emissions, water consumption, and total weight of waste over the last two years, and formulate policies for greenhouse gas		V	I. Greenhouse gas: All plants and subsidiaries of the Company have completed the 2024 greenhouse gas inventory and third-party verification, actively strengthened their management capabilities in response to climate change, accurately grasped the greenhouse gas emissions, and incorporated this issue into the important aspects of the Company's operations for evaluation and control. The management goals are as follows:	The schedule and operation of the Sustainable Development Guide map for

<table>
<tr><th rowspan="2">Items for evaluation</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>reduction, water consumption reduction, or other waste management?</td><td></td><td></td><td>Management goals
Short-term: The ISO 14067 carbon footprint certification is carried out.
Mid- and long-term: The renewable energy utilization rate of the production base reaches 50% or more by 2030, and the carbon reduction of the value chain is encouraged.
Greenhouse gas emission in the past two years:
Unit: tonCO2e
<table>
<tr><th>Year</th><th>Scope 1
Direct greenhouse gas emission</th><th>Scope 2
Indirect greenhouse gas emission</th><th>Scope 3
Other greenhouse gas emissions</th><th>Total emissions</th></tr>
<tr><td>2024</td><td>743.9895</td><td>2,504.5682</td><td>8,708.5046</td><td>11,956.841</td></tr>
<tr><td>2023</td><td>775.3108</td><td>1928.4922</td><td>6,753.4259</td><td>9,457.2289</td></tr>
</table>
GHG emission intensity in the past two years:
Unit: ton CO2e/ million revenue
<table>
<tr><th>Year</th><th>Scope 1 + Scope 2
Emission intensity</th><th>Revenue</th></tr>
<tr><td>2024</td><td>2.57</td><td>1,262,815,000</td></tr>
<tr><td>2023</td><td>1.96</td><td>1,382,210,000</td></tr>
</table></td><td>TWSE-Listed Companies with the Financial Supervisory Commission R.O.C. (Taiwan) was released in light of the company’s future needs.</td></tr>
</table>

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			*The organizational boundaries include the Taipei Office, Cicheng Technology Co., Ltd., and the factory of Power Logic (JiangXi TAI YI) CO., LTD. and SUN MAX TECH LIMITED. *Scope 3 greenhouse gas emissions include: Category 3 – Indirect GHG emissions from transportation, Category 4 – Indirect GHG emissions from products used in the organization. *The 2024 data has not been verified by a third-party verification unit, and the external verification is still ongoing. The latest data and verification results will be disclosed on the Company's website and the 2024 sustainability report. II. Effluent management: In addition, the Company has formulated the procedures for "waste treatment and monitoring", "procedures for wastewater treatment and monitoring", and "procedures for waste management" to strengthen the management of the company's waste gas, wastewater, and wastes, and to reduce the adverse effects on the environment and the staff health. Effluent treatment is in compliance with local regulations and internal standard procedures. The Company has qualified wastewater treatment facilities in place to manage effluents effectively. The main source of effluents of SUN MAX TECH LIMITED is domestic water. After the domestic water is treated in the septic tank, it is discharged to the sewer through the water outlet. Some of the coolant effluent from the air conditioner is discharged to the designated local sewer, and then to the	

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			designated local wastewater treatment plant for uniform treatment to ensure that it meets the requirements of the laws and regulations. <u>Water consumption:</u> The water consumption in 2024 was 54,795 tons, a decrease of 10,562 tons compared to 2022. The water consumption in 2023 was 58,760 tons, a decrease of 6,597 tons compared to 2022. 65,357 tons of water used in 2022 *The survey covered the factory of Power Logic (JiangXi TAI YI). CO., LTD. and SUN MAX TECH LIMITED. III. Waste management Waste generated by the Company is divided into general waste (recoverable and non-recoverable) and hazardous waste. General industrial waste is mainly from office waste, accounting for 96% of the total waste, and hazardous waste only accounts for 4% of the total waste. The Company has implemented waste disposal and cleaning in accordance with the law, and implemented a recycling mechanism in accordance with the requirements of the ISO 14001 system. The Company signs a cleaning contract with a qualified cleaning company every year to confirm relevant management measures and practices. The cleaning company will regularly clean and reuse the waste generated. Up to now, the Company has not had any default or illegal violation from the commissioned clearance companies.	

<table>
<tr><td rowspan="2">Items for evaluation</td><td colspan="3">Implementation Status</td><td rowspan="2">Deviations from “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” and reasons</td></tr>
<tr><td>Yes</td><td>No</td><td>Summary</td></tr>
<tr><td></td><td></td><td></td><td>Waste output:
Unit: ton
<table><tr><td>Year</td><td>General waste</td><td>Hazardous waste</td><td>Total volume</td></tr><tr><td>2024</td><td>63</td><td>3</td><td>67</td></tr><tr><td>2023</td><td>63</td><td>3</td><td>67</td></tr><tr><td colspan="4">*The survey covered the factory of Power Logic (JiangXi TAI YI). CO., LTD. and SUN MAX TECH LIMITED.</td></tr></table></td><td></td></tr>
<tr><td colspan="5">IV. Social Issues</td></tr>
<tr><td>(I) Does the Company have the relevant management policies and procedures stipulated in accordance with the relevant laws and regulations and international conventions on human rights?</td><td>V</td><td></td><td>The Company has established the “Human Rights Policy” in accordance with the international conventions on human rights. Relevant files have been placed on the Company’s website, https://www.sun-max.com.tw/governance_tw.php?id=18.

The specific management status of the human rights protection policy has been disclosed on the Company’s website.
https://www.sun-max.com.tw/governance_tw.php?id=35

In addition, according to relevant labor regulations, the job rules have been set up, clearly standardizing respective labor conditions, ensure employees’ legal rights, and set up complaint channels and disposal teams. Employees may express their opinions through email or the mailbox and receive fair and reasonable disposal.</td><td>No significant difference</td></tr>
</table>

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
(II) Has the Company formulated and implemented reasonable employee benefits measures (including remuneration, vacation and other benefits, etc.), and appropriately reflect operating performance or results in employee remuneration?	V		I. Compensation for employee: The Company has set up the employee performance management procedures, and provides reasonable compensations according to the employees' job duties and contribution based on the performance evaluation. The compensation policy and procedures are resolved by the Compensation Committee. II. Staff fringe benefits: The Company provides employee welfare in accordance with the Labor Standards Act, including leave (such as absence of leave, marriage leave, funeral leave, injury/sick leave, maternity leave, and paternity leave). The salary structure and employee welfare are stipulated in the work rules. III. Workplace diversity and equality: Realize wage equality and gender equality for promotion opportunities. 2.37% of the females in the Company are managers in 2024, contributing to the economic growth of gender equality. In 2024, 49.69% of the employees are female. IV. Reflect business performance in employee remuneration: When the Company has good operating performance, the operating performance will be properly reflected in the year-end performance evaluation.	No significant difference
(III) Does the Company provide employees with a safe and healthy work environment, and provide safety and health education to employees regularly?	V		I. The Company provides a safe, comfortable, and healthy work environment, complies with relevant laws and regulations, and promotes the concept of environmental safety to employees. After the third-party verification of the ISO 45001 occupational health and safety management system for the factory is performed for Power Logic (JiangXi TAI YI). CO.,LTD. and SUN MAX TECH LIMITED., the Company will continue to run the occupational safety and health process based on the system requirements.	No significant difference

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			II. The Company actively cares for the physical and mental health of its employees, and organizes annual health checkups for them. It is hoped that a healthy and friendly working environment can be provided. III. In 2024, there were no occupational injuries in Taiwan or at the factory of Power Logic (JiangXi TAI YI). CO., LTD. There were two occupational injuries in the factory of SUN MAX TECH LIMITED. (accounting for 1.03% of the total workforce in 2024). These occupational injuries were caused by mechanical operation negligence, and the Company immediately suspended operations based on the accident response measures, sent personnel for immediate medical treatment, initiated emergency procedures, and implemented employee care mechanisms to investigate the incident. Both employees recovered and resumed their duties. IV. On April 27, 2024, the factory of Power Logic (JiangXi TAI YI). CO., LTD. organized a factory-wide occupational accident and fire drill in the factory. A total of 502 people attended for a total of 502 hours. On October 29, 2024, the factory of Power Logic (JiangXi TAI YI). CO., LTD. organized a factory-wide occupational accident and fire drill in the factory. A total of 505 people attended for a total of 505 hours. On May 16, 2024, the factory of SUN MAX TECH LIMITED. organized a factory-wide occupational accident and fire drill in the factory. A total of 235 people attended for a total of 235 hours.	

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			V. There was no fire incident at the Company in 2024. Fire drills and annual fire reports are conducted on a regular basis every year, and are kept for the reference of the fire squad.	
(IV) Does the Company have an effective career capacity development training program established for the employees?	V		I. The company adheres to the policy of differentiation in talent management and the ultimate objective of overall organizational performance. The company encourages its business managers to improve their own skills and management knowledge. To increase its overall competitiveness, the company has implemented the "Regulations Governing On-the-Job Training of Managers." Additionally, employees are encouraged to pursue continuing education and build professional skills. The "Education training and qualification management procedure" has been established, funds have been allocated for various educational training, seminars are held on a regular or periodic basis and lecturers have been hired. According to their expertise level, internal or external education training has been provided to employees in order to cultivate their professional skills and encourage their personal growth. II. In 2024, physical or online internal training courses were conducted, resulting in a total of 781 hours of internal and external training.	No significant difference
(V) Regarding customer health and safety, customer privacy, marketing, and labeling of products and services, does the Company comply with relevant regulations and international standards, and formulate	V		I. The Company stipulates customer complaint process procedures to accept and handle customer complaints and to improve and meet customer needs. The Company complies with the non-disclosure agreement and the "Personal Information Protection Act," and provides a private complaint channel to customers to continuously improve customer satisfaction. II. The Company's products and services comply with relevant laws and international standards, including compliance with ISO system requirements, IATF 16949 system	No significant difference

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
relevant consumer protection policies and appeal procedures?			requirements and REACH regulations of the European Union, RoHS environmental protection regulations, and conflict-free minerals declaration. They all comply with the requirements of laws and regulations.	
(VI) Whether the company has supplier management policy and requests suppliers to comply with environment conservation, occupational safety and health or labor rights and their implementation.	V		1. The Company is committed to building a good development cycle with suppliers, creating a long-term partnership of mutual survival and prosperity, and improving product quality. The Company also actively collaborates with suppliers on development and pays attention to their sustainable development issues and environmental friendliness. Regular supplier assessments are conducted and communication channels are established to actively promote suppliers' implementation of social responsibilities and their pursuit of sustainable development. 2. Supplier evaluation SUN MAX TECH LIMITED conducts a supplier assessment every year. The assessment includes supplier's quality, pricing, delivery, sustainable development, and service ability. The Company has long-term cooperative relationships with outstanding suppliers and promotes the importance of environmental, social, and corporate governance (ESG) compliance to suppliers. For the manufacturers with excellent results of the evaluation, orders will be increased to reward them. For the manufacturers with unsatisfying results of the evaluation, they are required to make improvements and orders will be suspended when necessary. Suppliers are required to sign the "Social Responsibility Pledge" and "Environmental Protection Guarantee" to comply with relevant regulations and work together to improve corporate social responsibility.	No significant difference

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
V. Has the Company consulted the standard or directions commonly used worldwide in compiling the sustainable report for the disclosure of non-financial information on the Company? Is the aforementioned report subject to the validation or guarantee by a third-party accreditor?		V	I. The 2024 Corporate Sustainability Report is the first corporate sustainability report of the Company. As of the date of publication of the annual report, it is still under preparation. The content is prepared in accordance with the guidelines and structure of the GRI Standards published by the Global Reporting Initiative (GRI). The report details how SUN MAX TECH LIMITED (hereinafter referred to as SUN MAX TECH or the Company) fulfills its corporate social responsibility, along with specific measures the Company actively takes in areas such as sustainable management, corporate governance, ethical management, operational performance, customer service, product quality, sustainable supply chain management, green production for a sustainable environment, and promoting a healthy and safe working environment. II. This report has not been assured by a third party, and will be arranged in accordance with the schedule of the "ESG Sustainable Development Action Plan for TWSE and TPEx Listed Companies" in the future. This report will provide reliable and transparent data on the issues of concern to investors, promote two-way communication with internal and external stakeholders, and fully present the transparency and reliability of the Company's management approach and data on various topics of corporate sustainable development.	No significant difference
VI. For companies who had established Sustainable Development Best Principles of conducts in accordance with the "Sustainable Development Best Practice Principles for TWSE/GTSM-Listed Companies", please describe the current practice and any deviations from the code of conduct: The Company has set up the "Code of Practice for Sustainable Development" and is committed to promoting sustainable development, without major deviations from that of the Code of Practice.				

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
VII. Other important information that helps understand the implemented sustainability: In addition to emphasizing on regulatory compliance to protect all stakeholders, it also has its own social responsibility requirement of concern to the society and expected of enterprises, forming a part of its corporate culture.				

Climate-Related Information of TWSE / TPEx Listed Company

1. Implementation of Climate-Related Information

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	The Board of Directors has approved the establishment of the "Sustainable Development Promotion Team" in 2023, covering corporate governance, sustainable environment, supply chain/partners, social responsibility, and other functions. The team members are the heads of each department, including the audit, stock affairs, finance, information security, human resources, research and development, Jiangxi decision-making supervisor, and Dongguan decision-making supervisor. The team will regularly review the progress of sustainable development and plan for future sustainability plans. At least once a year, we report to the Board of Directors on the implementation of the plan and the results. It is expected that the "Sustainable Development Committee" will be formally established under the jurisdiction of the Board of Directors in 2025, to declare our determination to continue to move toward sustainable governance. The implementation of the Group's carbon inventory and the promotion of sustainable development were reported to the Board of Directors on August 15 and November 6, 2024, respectively. "Sustainable Development Promotion Team" is a cross-department communication unit that integrates vertically and horizontally. Responsible for the formulation, revision and amendment of the relevant systems and regulations related to sustainable development, promotion and supervision of the Company's sustainable development policy and plan, regular tracking and evaluation of the progress and effectiveness of sustainable development, to ensure the Company continues to move toward a sustainable strategic direction.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	The Company is actively researching and developing solutions to reduce the operational and financial impacts of climate change, and effectively enhance the Company's climate resilience. The Company's legal requirement is short term, 3 years or less; mid-term, 3–5 years; and long-term, 5 years or more. In addition, the Company further evaluates the visible and potential impact of climate change on the Company. Risks are identified as transition risks and physical risks. Opportunities are product opportunities and resilience opportunities. Please refer to the Company's official website "Climate Change Response" section for details.

Item	Implementation status
3. Describe the financial impact of extreme weather events and transformative actions.	The Company's operations may be subject to the risk of extreme weather events, such as high temperatures, droughts, typhoons, floods, and other extreme weather disasters, which may directly or indirectly cause malfunctions and abnormalities of machinery and equipment, and may cause delays in delivery of goods, limitations on production capacity, and employees being unable to come to work, among other circumstances. Such circumstances may also have a partial impact on the Group's operations. The Group has taken out insurance for fixed assets, machinery and equipment, inventories, etc. according to characteristics of operating areas to mitigate possible losses. However, these insurance policies may not provide adequate protection under certain circumstances and may adversely affect operations. However, it also provides opportunities for the Company to respond to such risks. If it is successfully transformed, it can bring long-term profits and improve climate resilience.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The Company established the "Risk Management Best Practice Principles" on November 11, 2022. The Company breaks it down into the primary parts of corporate governance, sustainable environment (including but not limited to climate risk), supply chain/partnerships, and social responsibility, and mainly evaluates the risks of each part, and the heads of Audit, Stock Affairs, Finance, Information Security, Human Resources, Research and Development Departments, and decision makers in Power Logic (JiangXi TAI YI). CO., LTD. and SUN MAX TECH LIMITED. regularly review the business risks of each department and put forward response measures to address these risks, and report them in the Board of Directors' Meeting to strengthen the Company's ability to respond to risks.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	In order to respond to the potential hazards caused by short-term, mid-term, and long-term climate risks on SUN MAX TECH LIMITED, the Company's scenario analysis is based on the scenario analysis of the "Taiwan Climate Change Projection Information and Adaptation Knowledge Platform" website. The website has detailed the analysis of various scenarios, and built the climate scenarios of the local climate change estimation model in Taiwan. The low-carbon emissions scenarios of IPCC AR6 SSP5-2.6 and the extremely high emissions scenarios of SSP5-8.5 are selected for the climate scenario, to discuss the natural disasters that continue to intensify due to high temperatures and heavy rainfall. For the business impact of SUN MAX TECH LIMITED, please refer to the Company's official website "Climate Change Response" for detail.
6. If there is a transition plan for managing	The Company promotes various energy-saving programs, sets up photovoltaic plants, and conducts

<table>
<tr><th>Item</th><th>Implementation status</th></tr>
<tr><td>climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.</td><td>greenhouse gas carbon inventory, to implement carbon reduction and energy-saving planning, and gradually achieve climate risk transition.</td></tr>
<tr><td>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</td><td>The Company is currently not within the scope of carbon tax or compulsory carbon trading management; hence it has not used internal carbon pricing as a planning tool.</td></tr>
<tr><td>8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.</td><td>The Company has followed the TCFD framework to conduct risk identification and analysis for climate risk, strengthened climate management response, and set relevant goals:
Short-term: The ISO 14067 carbon footprint certification is carried out.
Mid- and long-term: The renewable energy utilization rate of the production base reaches 50% or more by 2030, and the carbon reduction of the value chain is encouraged.</td></tr>
<tr><td>9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).</td><td>The Group has initiated the Group’s greenhouse gas inventory in 2023 and set 2023 as the base year for inventory. Various inventory operations for 2024 are still ongoing. The Company’s largest emission source is the purchased electricity (66%) in Scope 2. To conserve electricity, the Company has promoted the energy-saving policy in the office and production base factories, checked the energy-consuming equipment, and prioritized energy-saving equipment for replacement, to achieve greenhouse gas reduction.

<u>Greenhouse gas emission in the past two years:</u>
Unit: tonCO2e
<table>
<tr><th>Year</th><th>Scope 1
Direct greenhouse gas emission</th><th>Scope 2
Indirect greenhouse gas emission</th><th>Scope 3
Other greenhouse gas emissions</th><th>Total emissions</th></tr>
<tr><td>2024</td><td>743.9895</td><td>2,504.5682</td><td>8,708.5046</td><td>11,956.841</td></tr>
</table>
</td></tr>
</table>

Item	Implementation status
	<table><tr><td>2023</td><td>775.3108</td><td>1928.4922</td><td>6,753.4259</td><td>9,457.2289</td></tr></table> *The organizational boundaries include the Taipei Office, Cicheng Technology Co., Ltd., and the factory of Power Logic (JiangXi TAI YI) CO., LTD. and SUN MAX TECH LIMITED. *Scope 3 greenhouse gas emissions include: Category 3 – Indirect GHG emissions from transportation, Category 4 – Indirect GHG emissions from products used in the organization. *The 2024 data has not been verified by a third-party verification unit, and the external verification is still ongoing. The latest data and verification results will be disclosed on the Company's website and the 2024 sustainability report. <u>Greenhouse gas assurance status:</u> As of the publication date of the annual report, the third-party verification unit is currently reviewing the carbon emission data. The complete information will be disclosed in the sustainability report. The 2023 carbon emission data has been certified by a third-party verification agency, and the certification was completed by AFNOR Asia, Ltd.

(VII) The Bank's ethical corporate management performance and its difference from the "Ethical Corporate Management Best-Practices Principles for TWSE/GTSM Listed Companies" and the root causes

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/GTSM in best-practice principles of business integrity
	Yes	No	Summary	
I. The policy and plan of business integrity				
(I) Has the Company specified its policy and method for the implementation of ethical corporate management in its internal rules and regulations and external documents, and have the Board and the management of the Company promised to pursue the policy of ethical corporate management?	V		(I) The Company has set up the "Business Integrity Rules" and "Business Integrity Operating Procedures and Conduct Guidelines," and both of them were approved by the Board of Directors on June 28, 2017. The "Internal Major Information Handling and Insider Trading Prevention Management" was approved by the Board of Directors on April 29, 2016, and the latest amendment was made on August 29, 2022. (II) The Company values and adheres by justice, honesty, and integrity. Therefore, all managers and employees must abide by relevant conduct rules when engaging in any activities. (III) Refer to Pages 92~94 of the Annual Report for the Company's implementation of the business integrity education training. (IV) The Company has published the status of its ethical management. Please go to "Corporate Governance-Corporate Governance" in our website for details.	No significant difference
(II) Has the Company had established a risk assessment	V		The Company has formulated the "Regulations Governing	No significant difference

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/GTSM in best-practice principles of business integrity
	Yes	No	Summary	
mechanism against unethical conduct, regularly analyzed and assessed business activities within the business scope which were at a higher risk of being involved in unethical conduct and established prevention programs accordingly that at least included the preventive measures against the conducts specified in Article 7, paragraph 2 of the "Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies?"			Handling of Material Inside Information and Prevention of Insider Trading", which specifies that no director, managerial officer, or employee with knowledge of material inside information of the Company may divulge the information to others; no director, managerial officer, or employee of the Company may inquire about or collect any non-public material inside information of the Company not related to their individual duties from a person with knowledge of such information, nor may they disclose to others any non-public material inside information of the Company of which they become aware for reasons other than the performance of their duties. Any organization or person outside of the Company that is involved in any corporate action of the Company relating to a merger or acquisition, major memorandum of understanding, strategic alliance, other business partnership plans, or the signing of a major contract shall be required to sign a confidentiality agreement, and may not disclose to another party any material inside information of the Company's thus acquired. The Company also provides insider trading for directors and all employees to prevent unethical conduct.	

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/GTSM in best-practice principles of business integrity
	Yes	No	Summary	
(III) Whether the company has plans for dishonest behavior prevention, and each plan has procedures, behavior guidelines, penalty for violations and complaints, which are strictly implemented and periodically reviewed and corrected.	V		The Company has included the plan of preventing unethical conduct in the "Procedures for Ethical Management and Guidelines for Conduct." The plan specifies the processes of receiving improper profits, prohibition on facilitation payments, political donations, charitable donation or sponsorship, recusal from conflict of interests, how to handle the unethical conducts by employees or outside parties. Additionally, there are work rules and educational propaganda reminding the employees of the importance of ethical conduct from time to time and regular reviews apply. There are also employee discipline procedures as the basis for imposing punishments on employees who engaged in unethical conduct. The whistleblower reporting form for complaints is available at "Corporate Social Responsibility – Stakeholder" section.	No significant difference
II. The Materialization of Business Integrity				
(I) Does the company have the integrity of the trade counterparty assessed and with the code of integrity expressed in the contract signed?	V		Prior to transacting, the Company shall investigate the credibility of transacting parties in accordance with internal control related guidelines and find out if the involved parties incurred dishonest transaction conducts.	No significant difference

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/GTSM in best-practice principles of business integrity
	Yes	No	Summary	
(II) Does the Company set up a unit dedicated to promoting ethical corporate management under the board of directors, and regularly (at least once a year) report to the board of directors its ethical corporate management policies and unethical conduct preventive action and the implementation of supervision?		V	The company has not yet established a unit dedicated to promoting ethical corporate management best practices. The legal department serves as the unit responsible for concurrently promoting ethical best practices in corporate management and is in charge of related matters. The company has set up the "Ethical Corporate Management Best Practice Principles" and the "Codes of Ethical Conduct," as well as a reporting system to discourage any illegal or conducts in violation of ethical conduct and ethical corporate management best practice policies. Related situations are reported to the board of directors once a year. On January 13, 2025, the execution status was reported to the board of directors.	Based on the company's future operating needs, a dedicated unit under the board of directors for promoting ethical corporate management best practice has been established.
(III) Does the Company have developed policies to prevent conflicts of interest, provided adequate channel for communication, and substantiated the policies?	V		The company has established the "Ethical Corporate Management Best Practice Principles," the "Procedures for Ethical Management and Guidelines for Conduct" and other regulations. These regulations stipulate the policies for the preventing the conflict of interest and provide appropriate channels for making statements. This company complies with Article 19 of the "Ethical Corporate Management Best Practice Principles" and Article 15 of the "Regulations Governing Procedures for Board of Directors' Meetings." If a motion requires the avoidance of conflicts of interest at every board of	No significant difference

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/GTSM in best-practice principles of business integrity
	Yes	No	Summary	
			directors' meeting, the convener must remind the interested party to leave before the motion is read. In 2024, six board of directors meetings were convened in accordance with the "Regulations Governing Procedure for Board of Directors' Meetings."	
(IV) Does the Company have established an effective accounting system and internal control system for the implementation of ethical corporate management, and the internal audit unit based on the assessed risk of unethical conduct to formulate relevant audit plans, and check the compliance with the unethical conduct preventive action or commission an accountant to perform the check?	V		In addition to the Ethical Corporate Management Best Practice Principles for regulating the management, the Company has established the "Regulations Governing Transactions with Group Enterprises, Specified Companies, and Related Parties" for related party transactions. The internal audit office, every year, plans a operating program to check the accounting system, implementation of internal control system and ethical management in accordance with the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" and "Ethical Management Best Practice Principles"	No significant difference
(V) Has the Company organized corporate management internal and external education and training programs on a regular basis?	V		For information on the company's educational training on ethical corporate management, refer to pages 92 to 94 of this annual report. The related information is disclosed in the "Corporate Governance-Corporate Governance" area.	No significant difference
III. The operations of the Company's Report System				
(I) Does the Company have a specific report and reward system stipulated, a convenient report channel established and a responsible	V		The Company has set up the "Guidelines for Reporter Exercise and Protection" and has designated an email box (impeach@powerlogic.tw) for	No significant difference

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/GTSM in best-practice principles of business integrity
	Yes	No	Summary	
staff designated to handle the individual being reported?			reporting cases and a responsible staff designated to handle the individual being reported, ensuring reporters' unobstructed communication channels, protecting specific reporting and incentive systems, and maintaining the Company's business integrity related operations. The Guidelines stipulated relevant dedicated personnel for handling reported cases. Investors may visit the "Corporate Governance Area-Rules and Regulations" on the company website for details.	
(II) Has the Company established the standard operation procedures for the investigation of complaints as reported, follow-up actions after the investigation, and related mechanisms for confidentiality?	V		The Company has established "Whistleblower System and Protection" and a dedicated email box (impeach@powerlogic.tw) to ensure direct communication. Each accusation received will be complied and filed after the investigation is completed. No accusation or reporting had been received as of the printing date of the annual report. Investors can refer to the disclosure under "Corporate Social Responsibility-Stakeholders."	No significant difference
(III) Has the Company taken proper measures to protect the whistle-blowers from suffering any consequence of reporting an incident?	V		The Company has established "Whistleblower System and Protection" which explicitly states that no whistleblower is subject to punishments or similar treatments. No accusation or reporting had been received as of the printing date of the annual report.	No significant difference

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/GTSM in best-practice principles of business integrity
	Yes	No	Summary	
IV. Enhancing Information Disclosure (I) Does the Company have the contents of corporate management and its implementation disclosed on the website and MOPS?	V		The Company has disclosed its ethical management operations and the implementation status in the Company website and Market Observation Post System. The investor can look into to the disclosure under "Corporate Governance-Corporate Governance" in the website.	No significant difference
V. Where the Company may have establish its own business integrity best-practice principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies", and shall elaborate the practice of business integrity and the variations from the aforementioned regulation: The Company has set up Business Integrity Rules. All company staff, managers, and board members must abide by the norms and relevant provisions in the guidelines. The Company's business integrity rules-based operations and the contents of the norms show no difference. Refer to Pages 92~94 of the annual report for the Company's implementation of the business integrity education training.				
VI. Other important information that helps to understand the practice of business integrity of the company (e.g., the review and revision of the best-practice principles of the Company in business integrity) 1. The Company regularly arranges corporate governance courses for directors to attend and irregularly advocates the business integrity policy through internal meetings. 2. The Company strictly complies with the Company Act, Securities and Exchange Act, relevant regulations for TAIEX listed and OTC listed companies, and other relevant business conduct regulations, which shall serve as the basis for implementing business integrity. 3. Please refer to the "Corporate Governance" and "Social Responsibility" in the Company website, http//www.sun-max.com.tw.				

(VIII) Any other vital information that helps to understand the performance of corporate governance of the Company shall also be disclosed:

(1) Comply with the internal control system, implement internal control self-assessments, and strengthen audits and submissions to the board, thereby achieving the purpose of receiving board concern and supervision.

(2) Implement the spokesperson system, make timely major information announcements on the Public Information Observatory, and strengthen information transparency and the maintenance of investors' rights.

(3) In order to strengthen corporate governance, the company board has passed the "Code of Practice for Corporate Governance," the "Business Integrity Rules," the "Business Integrity Operating Procedures and Operational Guidelines," the "Code of Practice for Sustainable Development," "Moral Conduct Standards," "Major Accidental Event Notification Procedure," "Risk Control Operation Norms," "Board Diversity Policy," and "Guidelines for Board Performance Assessment." Other relevant norms will continue to be modified to implement the highest principle of corporate governance.

(4) Continue to schedule courses and arrange education courses for directors and supervisors to take education courses, thereby achieving the spirit of corporate governance implementation by the board.

Company Business Integrity Policy Implementation and Education Training Conduction Situation in 2024:

Title	Name	Organizer	Course Name	Training date	Training hours
All directors, supervisors and staff (64 persons)		Internal training and promotion at SUN MAX TECH LIMITED	Insider trading prevention training and promotion	2024/4/16	Promotion in electronic form
Vice President and Chief Corporate Governance	YAO, Cheng-Min	Securities and Futures Institute	Courses for directors, supervisors, and corporate governance officers – Economic situation and market opportunities in New Southbound countries	2024/4/17	3
Vice President and Chief Corporate Governance	YAO, Cheng-Min	Securities and Futures Institute	Courses for directors, supervisors, and corporate governance officers – Global and Taiwan Economic Prospects in 2024	2024/4/26	3
All directors, supervisors and staff (65 persons)		Internal training and promotion at SUN MAX TECH LIMITED	Insider trading prevention training and promotion	2024/9/6	Promotion in electronic form
Chief Corporate Governance	YAO, Cheng-Min	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Vice President and Chief Corporate Governance	YAO, Cheng-Min	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Vice President of R&D	HSIEH, JUNG-CHUNG	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Vice President of R&D	HSIEH, JUNG-CHUNG	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Manager of Audit Office	CHEN, CHI-CHENG	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3

Title	Name	Organizer	Course Name	Training date	Training hours
Manager of Audit Office	CHEN, CHI-CHENG	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Director	Kuan Chih-Liang	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Director	Kuan Chih-Liang	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Director	CHIU, Shih-Fang	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Director	CHIU, Shih-Fang	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Director	Chang Yuan-Fen	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Director	Chang Yuan-Fen	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Director	HSU Wen-Faung	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Director	HSU Wen-Faung	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Director	CHEN, Tien-Szu	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Director	CHEN, Tien-Szu	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3

Title	Name	Organizer	Course Name	Training date	Training hours
Director	LAI, Jen-Chung	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Director	LAI, Jen-Chung	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Director	HSIEH, Yu-Tien	Corporate Governance Association in Taiwan	How to design governance and management, so that the succession of the enterprise is no longer a barrier to sustainable operation.	2024/9/27	3
Director	HSIEH, Yu-Tien	Corporate Governance Association in Taiwan	Strategy and planning of corporate mergers and acquisitions	2024/9/27	3
Vice President and Chief Corporate Governance	YAO, Cheng-Min	Independent Director Association Taiwan	2024 Environmental and Economic Win-win: Taiwan's ESG Practice	2024/10/1	3
Manager of Audit Office	CHEN, CHI-CHENG	The Institute of Internal Auditors, R.O.C	Case study of unethical and non-arm's length transactions, and professional ethics and fraud prevention strategies for corporate auditors	2024/11/25	8

(IX) The following shall be disclosed in the pursuit of the internal control system:

(1) Declaration of Internal Control:

SUN MAX TECH LIMITED

Declaration of Internal Control System:

Date: March 10, 2025

The following declaration is based on the 2024 self-audit on the Company's internal control policies:

I. The Company and its subsidiaries are well aware that the establishment, implementation, and maintenance of the internal control system are the responsibility of the board and managers, and the Company has already set up such a system. The purpose is to provide reasonable assurance on the achievement of operating effectiveness and efficiency (including profits, performance, and assets safeguarding), reporting matters with reliability, timeliness, and transparency, and compliance with the relevant law and regulations.

II. Internal control system has its inherent limitations. No matter how perfect the design is, an effective internal control system can only provide a reasonable assurance of the achievement of the above three objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. Furthermore, environmental and situational changes may affect the effectiveness of internal control policies. However, self-supervision measures were implemented within The Company's internal control policies to facilitate immediate rectification once procedural flaws have been identified.

III. The Company determines the effectiveness of the design and implementation of its internal control system in accordance with the criteria of the effectiveness of the internal control system stipulated in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations"). The criteria introduced by "The Governing Principles" consisted of five major elements, each representing a different stage of internal control: 1. Control environment, 2. Risk evaluation and response, 3. Procedural control, 4. Information and communication, 5. Supervision. Each element further contains several items. Please refer to "The Governing Principles" for details.

IV. The Company has adopted the aforementioned criteria of internal control system to evaluate the effectiveness of the design and implementation of its internal control system.

V. The Company, according to the aforementioned evaluation results, thinks the Company's internal control system (including the supervision and management over the subsidiaries) on December 31, 2024, including understanding the effectiveness and efficiency of operations, reporting the internal control design and implementation with effectiveness, timeliness, transparency, and compliance with the relevant requirements and regulations and laws; therefore, a reasonable assurance on the achievement of the aforementioned goals is provided.

VI. This statement will become the main content of the Company's annual report and prospectus, and will be made public. This statement of declaration shall form an integral part of the annual report and prospectus on the company and will be announced. If there is any fraud, concealment and unlawful practice discovered in the content of the aforementioned information, the company shall be liable to legal consequences under Article 20, Article 32, Article 171 and Article 174 of the Securities and Exchanges Act.

VII. This declaration was approved by The Company's Board of Directors in the meeting dated March 10, 2025. None of the 7 directors present to the meeting held any objections, and had unanimously agreed to the contents of this declaration.

SUN MAX TECH LIMITED

Chairman: SINOTEAM HOLDINGS INC.

Representative: HSU Wen-Faung Signature

President: HSU Wen-Faung Signature

(2) For the CPAs specifically commissioned to review the internal control system, the Independent Auditor's Report should be disclosed: None.

(X) In the current year and as of the date of annual report printing, the important resolutions and execution status of the shareholders' meetings, board, Remuneration Committee, and Audit Committee:

(1) The resolution execution situation of the shareholders' meeting on May 31, 2024:
First case acknowledged: Passed the Company's 2023 annual business report and financial statements.
The voting status on the case is:

Poll result	% of voting rights of attending shareholders
Pros: 24,893,827 (Including 820,929 of electronic voting rights)	99.48%
Cons: 5,678 (Including 5,678 of electronic voting rights)	0.02%
Weight of no-votes: 0. (Including 0 of electronic voting rights)	0.00%
Waiver and non-voting weights: 123,748 (Including 123,748 of electronic voting rights)	0.49%

Execution status: Submit for Shareholders' Meeting recognition. After voting, the proposal was passed as is.

Second case acknowledge: Passed the Company's 2023 annual earnings distribution case.
The voting status on the case is:

Poll result	% of voting rights of attending shareholders
Pros: 24,908,824 (Including 835,926 of electronic voting rights)	99.54%
Cons: 2,679 (Including 2,679 of electronic voting rights)	0.01%
Weight of no-votes: 0. (Including 0 of electronic voting rights)	0.00%
Waiver and non-voting weights: 111,750 (Including 111,750 of electronic voting rights)	0.45%

Execution status: Submission to the shareholders' meeting for acknowledgment and proposal approval; cash dividends in the amount of NT$136,787,540 was distributed. The dividends distribution was concluded on July 29, 2024.

First case for discussion: Passed revisions to the "Rules of Procedure for Shareholder Meetings".

The voting status on the case is:

Poll result	% of voting rights of attending shareholders
Pros: 24,895,755 (Including 822,857 of electronic voting rights)	99.49%
Cons: 2,751 (Including 2,751 of electronic voting rights)	0.01%
Weight of no-votes: 0. (Including 0 of electronic voting rights)	0.00%
Waiver and non-voting weights: 124,747 (Including 124,747 of electronic voting rights)	0.50%

Execution status: submission to the shareholders' meeting for discussion; after a vote, the proposal was approved as-is and posted on the group's website.

Second case for discussion: Passed revisions to the Company's "Director Election and Appointment Procedure."

The voting status on the case is:

Poll result	% of voting rights of attending shareholders
Pros: 24,895,754 (Including 822,856 of electronic voting rights)	99.49%
Cons: 2,756 (Including 2,756 of electronic voting rights)	0.01%
Weight of no-votes: 0. (Including 0 of electronic voting rights)	0.00%
Waiver and non-voting weights: 124,743 (Including 124,743 of electronic voting rights)	0.50%

Execution status: submission to the shareholders' meeting for discussion; after a vote, the proposal was approved as-is and posted on the group's website.

Note: There were no questions from shareholders at the regular shareholders' meeting.

(2) Important Resolutions Passed by the Board:

Meeting date	Meeting	Major Board of Directors resolutions in 2024	
2024/1/25	The 11th meeting of the 4th term of the Board of Directors	Proposal 1	Motion go distribute year-end bonus for 2023
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHEN, Tien-Szu to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
		Proposal 2	Proposal for 2024 criteria of the performance evaluation and compensation standards for Board of Directors and the general managers.
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHEN, Tien-Szu to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
		Proposal 3	The Company’s salary adjustment for 2024.
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHEN, Tien-Szu to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
		Proposal 4	Promotion and compensation proposals for the Company
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 5	Periodically evaluate the independence and competence of CPAs
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.

Meeting date	Meeting	Major Board of Directors resolutions in 2024	
		Proposal 6	Non-assurance Engagements Provided by Deloitte Taiwan in 2024.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 7	Review 2024 audit fee proposed by Deloitte Taiwan.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 8	The Company intends to endorse and guarantee a short-term loan of US$5 million from Taishin International Bank for its subsidiary, SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 9	The issue that the subsidiary Power Logic Tech. Inc. intends to apply to Taishin International Bank for a secured loan as short-term working capital within the limit of NT$121 million.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 10	According to Article 4 of the “Supervision and Management Procedures for Subsidiaries,” the 4th term of directors and supervisors and the highest decision-making officer of “Cicheng Technology Co., Ltd.” were appointed.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
2024/3/14	The 12th meeting of the 4th term of the Board of Directors	Proposal 1	The 2023 Business Report and consolidated financial statements of 2023.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 2	The Company’s 2023 Employee Remuneration and Directors Remuneration Distribution Case
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHEN, Tien-Szu to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
		Proposal 3	The Company’s 2023 earnings distribution.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.

Meeting date	Meeting	Major Board of Directors resolutions in 2024	
		Proposal 4	This is the issue that the subsidiary Power Logic Tech. Inc. intends to sign with Taishin International Bank for a secured loan as short-term working capital of NT$121 million. It is an application for the use of the funds.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 5	The declaration of the Company's 2023 internal control system
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 6	It is planned to formulate the "Supervision and Management of Subsidiaries" in the Internal Control System – Circular Internal Control Process Under Other Management Regulations of the subsidiaries, TeamPlan Company and Sunny Sharp International Limited Taiwan Branch.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 7	Amendment to "Rules of Procedure for Board of Directors Meetings."
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 8	Amendments to "Audit Committee Charter".
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 9	Amendments to the Company's Rules Governing Remuneration of Directors and Managerial Officers.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 10	"Convening the Company's 2024 Shareholders' Meeting related matters"
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
2024/5/9	The 13th meeting of the 4th term of the Board of Directors	Proposal 1	2024 Q1 consolidated financial statements
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 2	Loaning of funds from the subsidiaries, "UNITED STRATEGY INC. (TCS)," "Power Logic Tech. Inc.," and "SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH to the parent company," "SUNMAX TECH LIMITED (Dyna Rechi Co., Ltd.)," for working capital.

Meeting date	Meeting	Major Board of Directors resolutions in 2024	
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 3	The Company's "Regulations Governing the Relevant Financial and Business Operations between Related Parties" were added.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
2024/8/15	The 14th meeting of the 4th term of the Board of Directors	Proposal 1	2024 Q2 consolidated financial statements
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 2	Loaning of funds from the subsidiaries, "UNITED STRATEGY INC.," "POWER LOGIC HOLDINGS INC.," and "POWER LOGIC TECH. INC." to the parent company, "SUN MAX TECH LIMITED" as working capital
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 3	Amendment to the "Seal Management," "Petty Cash Management," "Property Management" and "Authorization of Duties and Deputy System" of Internal Control System – Internal Control System – Circular Internal Control Process Under Other Management Regulations of the Company, SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH, Power Logic Tech. Inc., Cicheng Technology Co., Ltd., SUN MAX TECH LIMITED. And Power Logic (JiangXi TAI YI). CO., LTD., and amendment to the "Seal Management" of the Enforcement Rules of the Company's Internal Audit System.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 4	"SUN MAX TECH LIMITED Employee Welfare Trust Plan Committee" was established
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
2024/9/13	The 15th meeting of the 4th term of the Board of Directors	Proposal 1	Proposal to authorize the Chairperson to find and purchase the office and parking space for the real estate.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 2	Proposal to authorize the Chairperson to dispose three real estates at No. 16, Jianba Road, Zhonghe District, New Taipei City for sale.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.

Meeting date	Meeting	Major Board of Directors resolutions in 2024	
2024/11/6	The 16th meeting of the 4th term of the Board of Directors	Proposal 1	Reconfirmation of the remuneration to the new Assistant General Manager of Business Department I and Business Department II
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 2	2024 Q3 consolidated financial statements
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 3	The Company's 2025 operating plan and budget
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 4	It is proposed that the Company endorse two loans, RMB58 million and NT$40 million, from China Trust Bank to its 100% owned sub-subsidiaries, POWER LOGIC TECH. INC, Taiyi (Jiangxi) Electronic Technology Co., Ltd. and subsidiary, SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 5	The subsidiary, Power Logic Tech. Inc., intended to apply to Taishin International Bank for an increase in the amount of mortgage of NTD 220 million.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 6	The Company has amended the "Accounting Professional Judgment Procedure, Accounting Policies and Estimation Value Changes Procedure" of Internal Control System – Circular Internal Control Process Under Other Management Regulations of the Company, and amended the "Internal Audit Implementation Rules" and "Internal Control System Self-Assessment Operating Procedure" to comply with the current operations.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 7	According to Article 13 of the "Regulations Governing Establishment of Internal Control System by Public Companies," the Company's Audit Office has formulated the 2025 audit plan according to the results of risk assessment.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 8	Amended the "Accounting Professional Judgment Procedure, Accounting Policies and Estimation Value Changes Procedure" of the Company

Meeting date	Meeting	Major Board of Directors resolutions in 2024	
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 9	Amendments to the Company's "Regulations Governing the Preparation of Sustainability Reports"
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 10	Amendments to "Corporate Governance Best-Practice Principles" and "Audit Committee Charter".
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.

Meeting date	Meeting	Major Board of Directors resolutions in 2025	
2025/01/13	The 17th meeting of the 4th term of the Board of Directors	Proposal 1	Motion go distribute year-end bonus for 2024
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHIU, Shih-Fang to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
		Proposal 2	Proposal for 2025 criteria of the performance evaluation and compensation standards for Board of Directors and the general managers.
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHEN, Tien-Szu to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
		Proposal 3	The Company's salary adjustment for 2025.

Meeting date	Meeting	Major Board of Directors resolutions in 2025	
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHEN, Tien-Szu to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
		Proposal 4	Replacement of CPAs in 2025 and assessment of their independence and competence
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 5	Review 2025 audit fee proposed by Deloitte Taiwan.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 6	Non-assurance Engagements Provided by Deloitte Taiwan in 2025.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 7	The Company intends to endorse and guarantee a short-term loan of US$5 million from Taishin International Bank for its subsidiary, SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 8	The issue that the subsidiary Power Logic Tech. Inc. intends to apply to Taishin International Bank for a secured loan as short-term working capital within the limit of NT$121 million.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 9	Amendment to the Company's "Regulations Governing the Management of Intellectual Property Rights"
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 10	Amendments to the "Articles of Incorporation".
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 10	Establishment of the "Nomination Committee" of the Company
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 10	Appointed candidates for the fifth session of directors and supervisors, as well as the chief executive officer of the subsidiary "Cicheng Technology Co., Ltd."
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
2025/03/10		Proposal 1	The 2023 Business Report and consolidated financial statements of 2023.

Meeting date	Meeting	Major Board of Directors resolutions in 2025	
	The 18th meeting of the 4th term of the Board of Directors	Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 2	The Company's 2023 Employee Remuneration and Directors Remuneration Distribution Case
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHEN, Tien-Szu to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
		Proposal 3	The Company's 2023 earnings distribution.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 4	This is the issue that the subsidiary Power Logic Tech. Inc. intends to sign with Taishin International Bank for a secured loan as short-term working capital of NT$121 million. It is an application for the use of the funds.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 5	The declaration of the Company's 2023 internal control system
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 6	It is planned to formulate the "Supervision and Management of Subsidiaries" in the Internal Control System – Circular Internal Control Process Under Other Management Regulations of the subsidiaries, TeamPlan Company and Sunny Sharp International Limited Taiwan Branch.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 7	Amendment to "Rules of Procedure for Board of Directors Meetings."
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 8	Amendments to "Audit Committee Charter".
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 9	Amendments to the Company's Rules Governing Remuneration of Directors and Managerial Officers.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 10	"Convening the Company's 2024 Shareholders' Meeting related matters"
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.

(3) The Audit Committee has resolved and passed important resolution matters: see Pages 40-45 of the annual report for descriptions.

(4) Important resolution matters resolved and passed by the Remuneration Committee: See Pages 60-61 of the annual report for descriptions.

(XI) Adverse opinions from the Directors or the Supervisors against major resolutions of the Board on record or in written declaration in the most recent year to the date this report was printed. The key content: Not applicable in this year.

IV. Disclosure of the accountant's fee:

Unit: NTD thousands

Firm Name	CPA Name		The duration of the audit	Auditing fee	Non-Auditing fee	Total	Remarks
Deloitte & Touche	Tung-Ju Hsieh	Lin Wang-Sheng	January 1, 2024 to December 31, 2024	4,500	1,313	5,813	Service content of non-audit fee 1. Transfer price: $530 thousand 2. Corporate Registration: $542 thousand 3. Travel and other: $241 thousand

Please specify the services under the non-audit service charges (such as tax audit, assertive opinion, or other financial consulting services)

1. If a change in accounting firm resulted in a lower audit remuneration for that year compared to the previous year, the amount, percentage, and reason of the reduction must be disclosed: Not applicable.

2. If the auditing fee of the current year is more than 10% less than the year before, the reduced fee amount, ratio, and the root cause should be disclosed: Not applicable.

V. Change of CPA

1. Information relating to the former CPA

Date of replacement	Approval of change of independent CPAs in the Board meeting on January 13, 2025		
Reason for replacement and note	Due to internal staff adjustment from Deloitte Taiwan, beginning from Q1 2025, the independent CPAs of the Company changed to CPA Tung-Ju Hsieh and CPA Wei-Chun Ma from CPA Tung-Ju Hsieh and CPA Wang-Sheng Lin.		
Termination or appointment rejection by the appointer or CPAs	Party / Condition	Certified Public Accountant	Appointer
	Active termination	–	–
	Appointment/reappointment rejection	–	–
Opinions in and reason for audit reports issued other than unqualified opinion in the last two years	None		
	Yes		Accounting principles or practices
			Disclosure of financial statements
			Audit scope or procedure

Disagreement with the issuer (Yes/No)			Others
	None	V	
	Remark		
Other disclosures (Matters to be disclosed as set out in Sub-clause 10.6.1.4 through 10.6.1.7 of these Regulations)	None		

2. Information relating to the succeeding CPA

CPA firm	Deloitte & Touche
CPA Name	CPA, Tung-Ju Hsieh and CPA, Wei-Chun Ma
Date of engagement	Approval of change of independent CPAs in the Board meeting on January 13, 2025
Consultation on the accounting treatment or accounting principles for specific transactions and on the possible opinions on financial statements and the results of such consultation prior to the appointment	None
New CPA's written opinion on the matters on which the former CPA had different opinions	None

3. Responding letter from the past independent CPAs regarding Article 10, Subparagraph 6, Item 1 and Item 2-3 under this standard.

   No such cases in the current year.

VI. The Chairman, President, manager charged with finance or accounting of the Company has been working with the CPA firm retained as an external auditor or its affiliate in the last year

   No such cases in the current year.

VII. Periodically evaluate the independence and competence of CPAs:

1. The company's directors and audit committee were evaluated in accordance with Article 47 of the Certified Public Accountant Act, The Code of Ethics for Professional Accountants No. 10 Bulletin using the five dimensions and 13 indicators of the "Audit Quality Indicators (AQIs)" published by the Financial Supervisory Commission R.O.C. (Taiwan). Certified public accountants (CPAs) Tung-Ju Hsieh and Wang-Sheng Lin of Deloitte Taiwan prepared the company's financial statements of 2024. Since 2025 Q1, the CPAs delivered the Chin-shen No. 11309824 Declaration of Independence of December 24, 2024, and the "Audit Quality Indicators" (AQIs). In addition to confirming the company's accounts and expenses, there are no other financial interests or business relationships, and the accountants' family members do not violate the independence requirements. In addition, it was determined, with reference to the AQI data, that accountants and accounting firms were superior to the industry norm in terms of inspection experience and training hours. Digital auditing tools will be introduced to enhance audit quality over the next three years. The most recent evaluation results were approved at the third session of the 16th audit committee and the fourth session of the 17th board of directors on January 13, 2025.

2. The company's criteria for evaluating the independence and competence of CPAs are as follows:

No.	Evaluation standards	Evaluation results
1	Since the last certification operation, "seven years without change" does not hold true.	■ Yes □No
2	There are no significant financial ties to the consigner.	■ Yes □No
3	Avoid developing inappropriate relationships with the consigner.	■ Yes □No
4	Accountants must ensure the honesty, objectivity and autonomy of their assistants.	■ Yes □No
5	The financial statements of the service organization within two years prior to practice shall not undergo certification inspection.	■ Yes □No
6	The accountant's name must not be used by others.	■ Yes □No
7	CPAs do not own shares in the company or its conglomerates.	■ Yes □No
8	There is no money loan with the company or its conglomerates.	■ Yes □No
9	There are no joint investments or interest-sharing arrangements between the company and its conglomerates.	■ Yes □No
10	Receive a fixed salary without concurrently holding a position at the company or conglomerates.	■ Yes □No
11	They are not involved in the company's or conglomerates' management or decision-making.	■ Yes □No
12	Not concurrently holding other businesses that could compromise their independence.	■ Yes □No
13	The management level is not a spouse, immediate relative, immediate relative by marriage or second-degree relative by blood.	■ Yes □No
14	There are no business-related commission fees.	■ Yes □No
15	There has been no punishment or harm to the principle of independence up to this point.	■ Yes □No

VIII. Shareholding transfers and share collateralization within the latest year, up till the publication date of this annual report, initiated by directors, supervisors, managers and shareholders with more than 10% ownership interest

1. Shareholding changes of directors, supervisors, managers, and major shareholders

Unit: shares

Title	Name	2024		Year-to-date March 31	
		Increase (decrease) in No. of Shares	Increase (decrease) in No. of Pledged Shares	Increase (decrease) in No. of Shares	Increase (decrease) in No. of Pledged Shares
Chairman	SINOTEAM HOLDINGS INC.	-	-	-	-
SINOTEAM HOLDINGS IN: Legal representative	HSU Wen-Faung	-	-	-	-
Director (Note 1)	LUXURY SHINE INTERNATIONAL LIMITED	-	-	-	-
Legal representative of LUXURY SHINE INTERNATIONAL LIMITED (Note 1)	Chang Yuan-Fen	-	-	-	-
Director	LAI, Jen-Chung	-	-	-	-
Independent director	HSIEH, Yu-Tien	-	-	-	-
Independent director	CHIU, Shih-Fang	-	-	-	-
Independent director	CHEN, Tien-Szu	-	-	-	-
Independent director	Kuan Chih-Liang	-	-	-	-
Vice President and Chief Finance Office	YAO, Cheng-Min	-	-	-	-
R&D Assistant Vice President	HSIEH, JUNG-CHUNG	(6,000)	-	-	-
Chief Technology Officer	HUANG Chia-Lieh	-	-	-	-
Group Assistant Vice President	Lai, Chih-Sung	-	-	-	-
Audit Manager	CHEN, CHI-CHENG	-	-	-	-
Sale Manager	WANG, Chien-Ta	-	-	-	-
Senior Manager of Sales	TSAI, Wen-Chang	-	-	-	-
Senior Manager of Sales	SHAO, Wen-Yu	-	-	-	-
Shareholder with a stake of more than 10 percent	SINOTEAM HOLDINGS INC.	-	-	-	-

Note: Wang Chien-Ta, Manager of Business Department, left the position on September 6, 2024.

2. Information on the counterpart of equity transfer as the related party: none.

3. The counterpart of equity pledge is the related party: none.

IX. Relationships among The Company's top ten shareholders including spouses, second degree relatives or closer, or any person defined under Statement of Financial Accounting Principle No. 6 - "Related parties"

March 31, 2025

Name	Own shareholdings		Shares Held by Spouse & Dependents		Shareholdings under the title of a third party		Spouse, Relative Of Second Degree Or Closer, Or Related Parties Defined In Statement Of Financial Accounting Standards No. 6 Among The Top Ten Shareholders; State Their Names And Relationships.		Remarks
	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Name	Relation	
Taishin Custodian Investment Account of Hsin Ting Holding Limited	6,673,245	17.61 %	0	0%	0	0%	-	-	
Taishin trustee Xinting Holdings Co., Ltd. Investment Account: Corporate Representative HSU Wen-Faung	1,194,820	3.15%	199,033	0.53%	0	0%	HSU Wen-Faung	Self	
HSU Wen-Faung	1,194,820	3.15%	199,033	0.53%	0	0%	Taishin Custodian Investment Account of Hsin Ting Holding Limited	Legal representative: HSU Wen-Faung	
Citibank Trustee Berkeley Capital SBL/PB Investment Account (Note)	674,000	1.78	0	0%	0	0%	-	-	
CHEN, Chi-Chen	433,000	1.14	0	0%	0	0%	-	-	
LAI, Jen-Chung	396,759	1.05	0	0%	0	0%	-	-	
Yang, Hsiang-Hua	369,000	0.97	0	0%	0	0%	-	-	
Land Bank is entrusted with the safekeeping of Taichung Bank Digital Age Fund Special Account (Note)	351,945	0.93	0	0%	0	0%	-	-	
Wang, Chin-Chu	345,289	0.91	0	0%	0	0%			
HSBC entrusted with the Morgan Stanley & Co. International Plc. Special Account (Note)	338,344	0.89	0	0%	0	0%	-	-	
HSBC entrusted with Arcadian Emerging Markets Micro Capital Securities (Note)	299,847	0.79	0	0%	0	0%	-	-	

Note 1: The juristic person shareholder is an investment account of a juristic person, and is not represented.

X. Investments jointly held by The Company, The Company's directors, supervisors, managers, and enterprises directly or indirectly controlled by The Company. Calculate shareholding in aggregate of the above parties

Unit: share; %

Transfer investment (Note)	Investment by the Company		Held by directors, supervisors, managers, and directly or indirectly controlled enterprises		Combined investment	
	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding
United Strategy Inc.	3,025	100%	0	0	3,025	100%
Power Logic Holding Inc.	3,050	100%	0	0	3,050	100%
Sunny Sharp International Ltd.	490	100%	0	0	490	100%
POWER LOGIC TECH. INC	21,920	100%	0	0	21,920	100%
DONG GUAN DONG LI DIAN ZI CO. LTD	Note 1	100%	0	0	Note 1	100%
POWER LOGIC TECH (TAI YI) CO., LTD.	Note 1	100%	0	0	Note 1	100%
Taiyi (Jiangxi) Electronic Technology Co., Ltd.	Note 1	100%	0	0	Note 1	100%
CICHENG TECHNOLOGY CO., LTD.	4,000	80%	0	0	4,000	80%

Note 1: Company limited without shares.

III. Funding Status

I. Capital and outstanding shares

(I) Capital Sources

March 31, 2025

Year and month	Issuing price (NT$)	Authorized shares capital		Paid-in shares capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Sources of shares and dividends	Paid in properties other than cash	Others
2013/11	USD 1	10,000,000	10,000,000	1	1	Set up	None	Note 1
2013/12	USD 1	10,000,000	10,000,000	570,093	570,093	Cash capitalization USD570,092	None	Note 2
2013/12	USD 1	10,000,000	10,000,000	2,026,996	2,026,996	Equity transfer of USD1,456,903	None	Note 3
2015/12	USD 1	10,000,000	10,000,000	2,526,996	2,526,996	Cash capitalization USD500,000	None	Note 4
2016/02	0	100,000,000	1,000,000,000	8,300,000	83,000,000	Equity currency conversion	None	Note 5
2016/03	TWD11	100,000,000	1,000,000,000	9,400,000	94,000,000	Capital increase by cash NT$ 11,000 thousand	None	Note 6
2016/06	TWD60	100,000,000	1,000,000,000	12,400,000	124,000,000	Capital increase by cash NT$ 30,000 thousand	None	Note 7
2016/09	TWD10	100,000,000	1,000,000,000	16,120,000	161,200,000	Capitalization of retained earnings NT$ 37,200 thousand	None	Note 8
2017/05	TWD78	100,000,000	1,000,000,000	18,320,000	183,200,000	Capital increase by cash NT$ 22,000 thousand	None	Note 9
2017/08	TWD10	100,000,000	1,000,000,000	21,068,000	210,680,000	Capitalization of retained earnings NT$ 27,480 thousand	None	Note 10
2017/12	TWD10	100,000,000	1,000,000,000	23,703,000	237,030,000	IPO cash increase of NT$ 26,350 thousand	None	Note 11
2019/01	TWD10	100,000,000	1,000,000,000	26,203,000	262,030,000	Capital increase by cash NT$ 26,203 thousand	None	Note 12
2019/04	TWD10	100,000,000	1,000,000,000	26,244,811	262,448,110	Corporate bond conversion of NT$ 418,110	None	Note 13
2019/07	TWD10	100,000,000	1,000,000,000	26,264,092	262,640,920	Corporate bond conversion of NT$ 192,810	None	Note 14
2019/09	TWD10	100,000,000	1,000,000,000	26,288,194	262,881,940	Corporate bond conversion of NT$ 241,020	None	Note 15
2019/10	TWD10	100,000,000	1,000,000,000	26,317,116	263,171,160	Corporate bond conversion of NT$ 289,220	None	Note 16
2019/11	TWD10	100,000,000	1,000,000,000	26,326,756	263,267,560	Corporate bond conversion of NT$ 96,400	None	Note 17
2019/12	TWD10	100,000,000	1,000,000,000	27,527,018	275,270,180	Corporate bond conversion of NT$ 12,002,620	None	Note 18
2020/01	TWD10	100,000,000	1,000,000,000	28,192,229	281,922,290	Corporate bond conversion of NT$ 6,652,110	None	Note 19
2020/06	TWD10	100,000,000	1,000,000,000	28,197,049	281,970,490	Corporate bond conversion of NT$ 48,200	None	Note 20
2020/07	TWD10	100,000,000	1,000,000,000	28,883,952	288,839,520	Corporate bond conversion of NT$ 6,869,030	None	Note 21
2020/08	TWD10	100,000,000	1,000,000,000	29,165,172	291,651,720	Corporate bond conversion of NT$ 2,812,200	None	Note 22
2020/09	TWD10	100,000,000	1,000,000,000	29,267,211	292,672,110	Corporate bond conversion of NT$ 1,020,390	None	Note 23

Year and month	Issuing price (NT$)	Authorized shares capital		Paid-in shares capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Sources of shares and dividends	Paid in properties other than cash	Others
2020/10	TWD10	100,000,000	1,000,000,000	31,292,437	312,924,370	Corporate bond conversion of NT$ 252,260	None	Note 24
2020/11	TWD10	100,000,000	1,000,000,000	31,839,848	318,398,480	Corporate bond conversion of NT$ 5,474,110	None	Note 25
2020/12	TWD10	100,000,000	1,000,000,000	32,069,453	320,694,530	Corporate bond conversion of NT$ 2,296,050	None	Note 26
2021/01	TWD10	100,000,000	1,000,000,000	32,074,497	320,744,970	Corporate bond conversion of NT$ 50,440	None	Note 27
2021/04	TWD10	100,000,000	1,000,000,000	32,097,927	320,979,270	Corporate bond conversion of NT$ 234,300	None	Note 28
2022/08	TWD10	100,000,000	1,000,000,000	32,196,885	321,968,850	Corporate bond conversion of NT$ 989,580	None	Note 29
2022/09	TWD10	100,000,000	1,000,000,000	34,196,885	341,968,850	Capital increase by cash NT$ 20,000 thousand	None	Note 30
2023/03	TWD10	100,000,000	1,000,000,000	34,198,977	341,989,770	Corporate bond conversion of NT$ 20,920	None	Note 31
2023/05	TWD10	100,000,000	1,000,000,000	34,410,314	344,103,140	Corporate bond conversion of NT$ 2,113,370	None	Note 32
2023/06	TWD10	100,000,000	1,000,000,000	34,730,446	347,304,460	Corporate bond conversion of NT$ 3,201,320	None	Note 33
2023/07	TWD10	100,000,000	1,000,000,000	35,452,085	354,520,850	Corporate bond conversion of NT$ 7,216,390	None	Note 34
2023/08	TWD10	100,000,000	1,000,000,000	35,525,303	355,253,030	Corporate bond conversion of NT$ 732,180	None	Note 35
2023/09	TWD10	100,000,000	1,000,000,000	35,568,136	355,681,360	Corporate bond conversion of NT$ 428,330	None	Note 36
2023/10	TWD10	100,000,000	1,000,000,000	35,624,502	356,245,020	Corporate bond conversion of NT$ 563,660	None	Note 37
2023/11	TWD10	100,000,000	1,000,000,000	35,629,011	356,290,110	Corporate bond conversion of NT$ 45,090	None	Note 38
2023/12	TWD10	100,000,000	1,000,000,000	35,640,284	356,402,840	Corporate bond conversion of NT$ 112,730	None	Note 39
2024/01	TWD10	100,000,000	1,000,000,000	35,642,538	356,425,380	Corporate bond conversion of NT$ 3,201,320	None	Note 40
2024/02	TWD10	100,000,000	1,000,000,000	35,653,810	356,538,100	Corporate bond conversion of NT$ 112,720	None	Note 41
2024/03	TWD10	100,000,000	1,000,000,000	37,583,873	375,838,730	Corporate bond conversion of NT$ 19,300,630	None	Note 42
2024/05	TWD10	100,000,000	1,000,000,000	37,644,750	376,447,500	Corporate bond conversion of NT$ 608,770	None	Note 43
2024/06	TWD10	100,000,000	1,000,000,000	37,651,512	376,515,120	Corporate bond conversion of NT$ 67,620	None	Note 44
2024/07	TWD10	100,000,000	1,000,000,000	37,660,948	376,609,480	Corporate bond conversion of NT$ 94,360	None	Note 45
2024/08	TWD10	100,000,000	1,000,000,000	37,665,666	376,656,660	Corporate bond conversion of NT$ 47,180	None	Note 46
2024/11	TWD10	100,000,000	1,000,000,000	37,698,692	376,986,920	Corporate bond conversion of NT$ 330,260	None	Note 47
2024/12	TWD10	100,000,000	1,000,000,000	37,722,282	377,222,820	Corporate bond conversion of NT$ 235,900	None	Note 48
2025/01	TWD10	100,000,000	1,000,000,000	37,743,513	377,435,130	Corporate bond conversion of NT$ 212,310	None	Note 49
2025/02	TWD10	100,000,000	1,000,000,000	37,899,207	378,992,070	Corporate bond conversion of NT$ 1,556,940	None	Note 50

Note 1: Funding capital
Note 2: Capital increase

Note 3: Share exchange with SUN MAX TECH LIMITED by 13 people including Li Lung-Chu, exchanging all UNITED STRATEGY INC. shares issued for 970,986 regular shares of SUN MAX TECH LIMITED. Share exchange with SUN MAX TECH LIMITED by 13 people including Li Lung-Chu, exchanging all POWER LOGIC HOLDINGS INC. shares issued for 422,561 regular shares of SUN MAX TECH LIMITED. Share exchange with SUN MAX TECH LIMITED by 13 people including Li Lung-Chu, exchanging all ADVANCE PLUS LIMITED. shares issued for 63,356 regular shares of SUN MAX TECH LIMITED. The equity transfer totaling 1,456,903 shares. After the share exchange, UNITED STRATEGY INC. and POWER LOGIC HOLDINGS INC. and ADVANCED PLUS LIMITED are 100% reinvestment subsidiaries of SUN MAX LIMITED.
Note 4: Capital increase
Note 5: The shareholders' meeting reached the resolution on February 2, 2016 that the 2,526,996 shares issued each at the denomination of USD1, totaling USD2,526,996. With the exchange rate of NTD 32.845323: 1USD, the issued 8,300,000 shares each at the denomination of NTD10, totaling NTD83,000,000.
Note 6: Capital increase
Note 7: Capital increase
Note 8: The annual surplus for 2015 will be transferred to capital increase, each share issuing $3 shares.
Note 9: Capital increase
Note 10: The Company conducted surplus to capital increase on August 8, 2017, distributing $1.5 shares per share.
Note 11: Cash increase before IPO
Note 12: Capital increase
Note 13: Corporate bond conversion shares increased by 41,811, and capital increased by NT$ 418,110.
Note 14: Corporate bond conversion shares increased by 19,281, and capital increased by NT$ 192,810.
Note 15: Corporate bond conversion shares increased by 24,102, and capital increased by NT$ 241,020.
Note 16: Corporate bond conversion shares increased by 28,922, and capital increased by NT$ 289,220.
Note 17: Corporate bond conversion shares increased by 9,640, and capital increased by NT$ 96,400.
Note 18: Corporate bond conversion shares increased by 1,200,262, and capital increased by NT$ 12,002,620.
Note 19: Corporate bond conversion shares increased by 665,211, and capital increased by NT$ 6,652,110.
Note 20: Corporate bond conversion shares increased by 4,820, and capital increased by NT$ 48,200.
Note 21: Corporate bond conversion shares increased by 686,903, and capital increased by NT$ 6,869,030.
Note 22: Corporate bond conversion shares increased by 281,220, and capital increased by NT$ 2,812,200.
Note 23: Corporate bond conversion shares increased by 102,039, and capital increased by NT$ 1,020,390.
Note 24: Corporate bond conversion shares increased by 25,226, and capital increased by NT$252,260.
Note 25: Corporate bond conversion shares increased by 547,411, and capital increased by NT$ 5,474,110.
Note 26: Corporate bond conversion shares increased by 229,605, and capital increased by NT$ 2,296,050.
Note 27: Corporate bond conversion shares increased by 5,044, and capital increased by NT$ 50,440.
Note 28: Corporate bond conversion shares increased by 23,430, and capital increased by NT$234,300.
Note 29: Corporate bond conversion shares increased by 98,958, and capital increased by NT$989,580.
Note 30: Capital increase
Note 31: Corporate bond conversion shares increased by 2,092, and capital increased by NT$ 20,920.
Note 32: Corporate bond conversion shares increased by 211,337, and capital increased by NT$ 2,113,370.
Note 33: Corporate bond conversion shares increased by 320,132, and capital increased by NT$ 3,201,320.
Note 34: Corporate bond conversion shares increased by 721,639, and capital increased by NT$ 7,216,390.
Note 35: Corporate bond conversion shares increased by 73,218, and capital increased by NT$ 732,180.
Note 36: Corporate bond conversion shares increased by 42,833, and capital increased by NT$ 428,330.
Note 37: Corporate bond conversion shares increased by 56,366, and capital increased by NT$ 563,660.
Note 38: Corporate bond conversion shares increased by 4,509, and capital increased by NT$ 45,090.
Note 39: Corporate bond conversion shares increased by 11,273, and capital increased by NT$ 112,730.
Note 40: Corporate bond conversion shares increased by 2,254, and capital increased by NT$ 22,540.
Note 41: Corporate bond conversion shares increased by 11,272, and capital increased by NT$ 112,720.
Note 42: Corporate bond conversion shares increased by 1,930,063, and capital increased by NT$ 19,300,630.
Note 43: Corporate bond conversion shares increased by 60,877, and capital increased by NT$ 608,770.
Note 44: Corporate bond conversion shares increased by 6,762, and capital increased by NT$ 67,620.
Note 45: Corporate bond conversion shares increased by 9,436, and capital increased by NT$ 94,360.
Note 46: Corporate bond conversion shares increased by 4,718, and capital increased by NT$ 47,180.
Note 47: Corporate bond conversion shares increased by 33,026, and capital increased by NT$ 330,260.
Note 48: Corporate bond conversion shares increased by 23,590, and capital increased by NT$ 235,900.
Note 49: Corporate bond conversion shares increased by 21,231, and capital increased by NT$ 212,310.
Note 50: Corporate bond conversion shares increased by 155,694, and capital increased by NT$ 1,556,940.

March 31, 2025

Stock Type	Authorized shares capital			Remarks
	Outstanding shares (Note 1)	Unissued shares	Total	
Common stock	37,899,207	62,100,793	100,000,000	

Note 1: Under TAIEX listed shares

(II) The main shareholders' list (name, number of shares held, and ratio of Shareholder with equity ratio reaching over 5% or shareholders with equity ratio ranking top ten):

March 31, 2025

Name of Principle shareholder	Shares	Shareholding percentage (%)
Taishin Custodian Investment Account of Hsin Ting Holding Limited	6,673,245	17.61 %
HSU Wen-Faung	1,194,820	3.15%
Citibank Trustee Berkeley Capital SBL/PB Investment Account	674,000	1.78%
CHEN, Chi-Chen	433,000	1.14%
LAI, Jen-Chung	396,759	1.05%
Yang, Hsiang-Hua	369,000	0.97%
Land Bank is entrusted with the safekeeping of Taichung Bank Digital Age Fund Special Account	351,945	0.93%
Wang, Chin-Chu	345,289	0.91%
HSBC entrusted with the Morgan Stanley & Co. International Plc. Special Account	338,344	0.89%
HSBC entrusted with Arcadian Emerging Markets Micro Capital Securities	299,847	0.79%

(III) Company's dividend policy and execution status:

1. Dividend policies stated in The Company's Articles of Incorporation:

As stipulated in #125 under the Article of Association, the Company may, through ordinary resolution, announce dividend distribution for shares issuances and other types of distribution, and pay from disposable capital when such practice violates no Company act or any rights/limitation attached to any capital issuance or the Article of Association of the Company. The Company may, without violating applicable laws and through special resolution, make distribution out of capital surplus in forms of new shares or cash in accordance with shareholdings' percentage.

Pursuant to Article 125 A of the Company's articles of incorporation, despite of the preceding article (125), the Board may resolve the distribution of dividends or bonus, all or in part, in cash, by the majority of the directors present at the meeting, which is attended by more than two third of the directors, and report the resolution in the nearest shareholder's meeting.

The Company shall reserve a makeup amount before distributing employee and director remunerations. According to legal regulation of The Cayman Islands, TAIEX 1 and OTC listing regulation and Article 129 of Corporate Charter, the board resolution reached with more than two thirds attendance and the consent of more than half the attending directors, employee and director remunerations may be distributed in cash and/or shares. The board resolution on

the above-mentioned distribution of employee and director remunerations shall be reported to shareholders at the shareholders' meeting after the board passed the resolution.

The Company shall not pay interest on undistributed dividends.

Except restricted by public company related laws, the earnings, if any, after closing account every year, the Board of Directors should propose earning distribution plan to shareholders' meeting as method and priority below,

(1) Payment of tax and duty;
(2) Make up for cumulative losses for the previous year (if any);
(3) According to TAIEX and OTC listing regulations, 10% is distributed as statutory surplus reserves except when said reserve reaches the Company's paid-up capital;
(4) According to TAIEX and OTC listing regulations or the competent authority request distribution of special surplus reserve; and
(5) According to the surplus for the current year, the amounts from Item (1) to Item (4) shall be dedicated, and the cumulative undistributed surplus for the previous period is provided for surplus distribution. The Distributable surplus shall be distributed after the board proposal of a dividend distribution case and submission to the shareholders' meeting to be resolved according to TAIEX and OTC listing regulations. The Company may release dividends in cash and/or stock, and the amount of dividend for release shall not fall below the net earnings of the year of the appropriation specified in (1) to (4) if there is no contradiction to the law of the Cayman Islands. In addition, the amount of cash dividend shall not fall below 10% and up to 100% of the total dividend payable to the shareholders.

Article 139 of the Corporate Charter (Provident fund transfer to capital increase)
Unless otherwise regulated by TAIEX and OTC listing regulations or the Company Act, the company may resort to Type A Special Resolution or Type B Special resolution.

(1) Any balance to be listed in the company reserve account or other capital provident fund (including capital premium account, capital redemption reserve, surplus, profit and loss account, capital reserve, statutory surplus reserve, and special surplus reserve) shall be transferred to capital increase, whether or not they will be distributed.
(2) The amount resolved for transfer to capital increase shall be distributed to shareholders according to their shareholding ratio. Additionally, on behalf of shareholders, the amount shall be used for the distribution company's unissued shares, bonds, or other relevant stock portfolios. The company shares or bonds or other portfolio shall be distributed to shareholders (or designated persons) according to the aforementioned ratios.
(3) Make any arrangements deemed appropriate to resolve problems encountered during provident fund transfer to capital increase, especially but not limited to when shares or corporate bonds distributed are distorted shares. The board reserves the right to dispose distorted shares or corporate bonds by means deemed appropriate; and
(4) Will take all necessary stands to execute provisions in this article.
Article 139A of the Corporate Charter: To avoid disputes, new shares issued for distributing employee and board remunerations in accordance with Article 129 does not require the acquisition of Class A Special Resolution or Class B Special Resolution.

2. Situation of Dividends Pending (Already) Distribution in the Current Year

A cash dividend of NT$83,212,182 (NT$2.20 per share) out of 2024 earnings was resolved by the Board of Directors on March 11, 2025, and will be reported in the shareholders' meeting on May 29, 2025.

(IV) The proposed free share placement in the current year shall have no impact on the Company's operating performance and earnings per share.

The Company offered no share dividend distribution in 2024 and is thus not applicable.

(V) Remuneration paid to employee, directors and supervisors

1. Proportion or range of employees, and Directors'/Supervisors' remuneration specified in the Articles of Incorporation

   According to Article 129 of the Corporate Charter, the Company shall distribute profits according to the profit distribution plan proposed by the board and resolved and passed at the shareholders' meeting. In addition, after making up for the losses incurred over the years, in accordance with the provisions in the company public offering regulations, or inaccuracies with the competent authority's request to list or turnaround of special surplus reserve, no more than 2% of the remaining profit shall be used as director remunerations and 10% at most and 1.5% at least as employee bonuses. The employee bonuses shall be distributed in accordance with provisions in Article 17 of the Employee Incentive plan. The board shall stipulate in the surplus distribution agenda regarding the percentage of bonuses distributed to employees. Shareholders may modify the proposal before the resolution. Directors concurrently serving as company executives are entitled to bonuses as company employees.

2. The estimation basis for employee bonuses and remunerations for directors and supervisors the current period, the basis for distributing stock dividend shares, and the actual distributed amounts shall be handled by accounting if they differ from the estimated amounts: None.

3. Remuneration to be distributed as resolved in the board of directors:

   (1) If employee remunerations and director and supervisor remunerations distributed in cash or dividends. If the amount differs from the annual estimation of the listed expenses, the amount of difference, reason, and disposal shall be disclosed:

   On March 10, 2024, the Board of Directors approved the distribution of NTD 5,191,620 (or 4% distribution rate) as remuneration to employees and NTD 2,595,810 (or 2% distribution rate) as remuneration to directors, all of which were paid in cash. No difference between the budgeted amount.

   (2) Employee remunerations distributed in shares and the ratio in individual or separate financial report's after-tax net profit and employee remuneration total: No employee remuneration in shares was distributed this year.

4. Actual status of distributing remuneration to employees, directors and supervisors in the previous year (including the number of shares distributed, amount and share price), difference number, reasons and process status if there is discrepancy between the actual amount and the amount recognized:

   (1) Actual Distribution Situation:

Actual distribution situation for the previous year (2023): distributed items.	The number of distributions originally proposed by the board.	The actual distribution amount resolved in the shareholders' meeting	Amount of difference
Employees' stock bonus	-	-	-
Employees' cash bonus	5,186,444	5,186,444	-
Remuneration to directors/supervisors	2,593,222	2,593,222	-

   (2) Difference in listed employee bonuses and director and supervisor remunerations: None.

(VI) Shares repurchased by The Company:

1. First company stock buyback (completed):

Period No.	The 1st time
Purpose of repurchase	Transferring stocks to employees
Repurchase period	2018/08/10~2018/10/08
Price range at which scheduled to be repurchased (NT$)	NT$ 110~ NT$ 55
Type and amount (shares) of the repurchased shares	230,000 ordinary shares
Amount of the repurchased shares (NT$)	NT$ 15,286,879
Ratio of repurchased shares to shares repurchase planned	57.50%
Shareholdings that have been cancelled and transferred (shares)	230,000 shares
Accumulated shareholdings of the Company (shares)	0 shares
Percentage of accumulated shareholdings of the Company to total issued shares (%)	0%

Note: A transfer of 230,000 treasury shares, through first buyback, to employees have completed as filed on April 16, 2021.

2. Share Repurchases by the Company (Repurchases Still in Progress Completed): None.

II. Disclosure relating to corporate bonds

Bond type	The 1st Unsecured Convertible Bond in R.O.C.	The 2nd Unsecured Convertible Bond in R.O.C.	The 3rd Unsecured Convertible Bond in R.O.C.
Issue date	January 3, 2019	September 1, 2020	August 12, 2022
Face Value	NT$ 100,000	NT$ 100,000	NT$ 100,000
Place of Issue and Trading	Taipei Exchange (TPEx)	Taipei Exchange (TPEx)	Taipei Exchange (TPEx)
Issuing price	The bond is issued with 100% par value of NT$ 100,000.	The bond is issued with 100% par value of NT$ 100,000.	The bond is issued with 100% par value of NT$ 100,000.
Total amount	NT$ 150,000,000	NT$ 220,000,000	NT$200 million.
Interest rate	Coupon rate 0%	Coupon rate 0%	Coupon rate 0%
Maturity	Three years Date of maturity: January 3, 2022	Three years Date of maturity: September 1, 2023	Three years Date of maturity: August 12, 2025
Guarantee Institution	None	None	
Trustee	Taishin International Bank	Taishin International Bank	Taishin International Bank
Consignee	Concord Securities Co., Ltd.	Concord Securities Co., Ltd.	Concord Securities Co., Ltd.
Certified Lawyer	Jheding International Law Offices Lawyer, Yu-Liang Chen	Jheding International Law Offices Lawyer, Yu-Liang Chen	Jheding International Law Offices Lawyer, Yu-Liang Chen

Bond type		The 1st Unsecured Convertible Bond in R.O.C.	The 2nd Unsecured Convertible Bond in R.O.C.	The 3rd Unsecured Convertible Bond in R.O.C.
Certified CPA		CPA, Cheng-Hsiu Yang and CPA, Wang-Sheng Lin from Deloitte & Touche	CPA, Cheng-Hsiu Yang and CPA, Wang-Sheng Lin from Deloitte & Touche	CPA, Tung-Ju Hsieh and CPA, Wang-Sheng Lin from Deloitte & Touche
Repayment Methods		Except for the case where the holders of the convertible bonds convert them into the Company's ordinary shares in accordance with Article 13 of the Regulations or exercise the put options in accordance with Article 22 of the Regulations, and where the Company calls the bonds or purchases them back from the security houses for cancellation in advance in accordance with Article 21 of the Regulations, the Company redeems the bonds with cash at the face value when the convertible bonds are due.	Except for the case where the holders of the convertible bonds convert them into the Company's ordinary shares in accordance with Article 13 of the Regulations or exercise the put options in accordance with Article 22 of the Regulations, and where the Company calls the bonds or purchases them back from the security houses for cancellation in advance in accordance with Article 21 of the Regulations, the Company redeems the bonds with cash at the face value when the convertible bonds are due.	Except for the case where the holders of the convertible bonds convert them into the Company's ordinary shares in accordance with Article 13 of the Regulations or exercise the put options in accordance with Article 22 of the Regulations, and where the Company calls the bonds or purchases them back from the security houses for cancellation in advance in accordance with Article 21 of the Regulations, the Company redeems the bonds with cash at the face value when the convertible bonds are due.
Amount not repaid		NT$ 0	NT$ 169,100,000	NT$ 199,900,000
Redemption or earlier redemption		It is handled in accordance with the regulation of bond redemption right defined in Article 22 of the issuing rules.	It is handled in accordance with the regulation of bond redemption right defined in Article 22 of the issuing rules.	It is handled in accordance with the regulation of bond redemption right defined in Article 22 of the issuing rules.
Limitation Article		See the "Regulations governing the first domestic issuance and conversion of unsecured convertible corporate bonds."	See the "Regulations governing the second domestic issuance and conversion of unsecured convertible corporate bonds."	See the "Regulations governing the second domestic issuance and conversion of unsecured convertible corporate bonds."
Name of the credit rating agency, rating date, and rating results		Not applicable	Not applicable	Not applicable
Other equity attached	The amount of converted (swapped or purchased)	Our first domestic unsecured convertible bonds, with a total of 1,500 units, have completed its conversion for a total of 3,674,685	As of the printing date of this annual report, a total of 198 units have been converted into 319,200 common shares from the second issuance of	As of the printing date of this annual report, a total of 1,605 units have been converted into 3,588394 common shares from the third issuance of domestic

Bond type		The 1st Unsecured Convertible Bond in R.O.C.	The 2nd Unsecured Convertible Bond in R.O.C.	The 3rd Unsecured Convertible Bond in R.O.C.
	ordinary shares, GDRs or other securities as of the date when the annual report was printed	shares. The OTC trading stopped on March 05, 2021.	domestic unsecured convertible bonds.	unsecured convertible bonds.
	For the Regulations on Issuance and Conversion (Swap or Purchase)	please refer to the bond issuance data on the section of bond credit rating on the MOPS.	please refer to the bond issuance data on the section of bond credit rating on the MOPS.	please refer to the bond issuance data on the section of bond credit rating on the MOPS.
Rules for issuing, conversion, exchange or purchase, possible dilutions of equity from the issuing conditions, and the impacts on the rights of the existing shareholders		Our first domestic unsecured convertible bonds, with a total of 1,500 units, have completed its conversion for a total of 3,674,685 shares. The OTC trading stopped on March 05, 2021.	This time, the company plans to issue its second domestic unsecured convertible corporate bond. As of the closing date, April 2, 2023, 198 were converted, 311 were sold back and 1,691 were unconverted at the current conversion price of NT$56.75 each. The dilution ratio of 8.71% is derived from the current 2,980 thousand floating share plus the additional 34,198 thousand shares if fully converted.	This time, the company plans to issue its third domestic unsecured convertible corporate bond. As of the closing date, March 31, 2025, a total of 1,605 were converted and 395 were unconverted at the current conversion price of NT$42.39 each. Assuming that all holders of unconverted bonds convert at the conversion price, the bonds are converted into 932 thousand company common shares. The dilution ratio is approximately 2.46% based on 37,899 thousand shares of the Company's current outstanding common shares plus the estimated number of convertible shares.
Custody Agency Name for the Exchange Target		Not applicable	Not applicable	Not applicable

Status of convertible bonds:

Unit: NTD

Bond type		The 1st Unsecured Convertible Bond in R.O.C.	The 2nd Unsecured Convertible Bond in R.O.C.	The 3rd Unsecured Convertible Bond in R.O.C.	
Item \ Year		Year-to-date March 5, 2021	Year-to-date September 4, 2022	2024	Year-to-date March 31
Market price of the convertible bond	The Highest	NT$ 182	NT$ 112.00	NT$ 166	NT$ 144.55
	The Lowest	NT$ 100	NT$ 99.4	NT$ 109.20	NT$ 117.10
	Average	NT$ 146.63	NT$ 103.3	NT$ 137.53	NT$ 128.87
Conversion price		NT$ 39.64 were fully converted, and closed the transaction over the counter on March 5, 2021.	NT$ 52.66 with 3 years left until maturity were issued, and closed the transaction over the counter on September 4, 2023	NT$ 42.39	
Issue date and		Issue date: January 3, 2019	Issue date: September 1, 2020	Issue date: August 12, 2022	
Conversion price		NT$ 43.73	NT$ 64.89	NT$ 48.50	
Ways of fulfilling conversion obligation		New share issue	New share issue	New share issue	

III. Disclosure relating to preference shares: none.

IV. Disclosure relating to depository receipts: none.

V. Situation of handling of subscription right certificate:

VI. The new shares from restricted employee stock option: none.

VII. Disclosure on new shares issued for the acquisition or transfer of other shares: none.

VIII. Fund use plan and execution status: as of the date of printing of the annual report, the company has not issued or completed a private placement of securities nor has it been completed within the past three years and the plan benefits are not yet significant.

IV. Business performance

I. Content of business

1. Business scope:

(1) The main contents of the business service

The Company’s main business items are: DC cooling fan management and sales.

(2) The proportion of key items to overall operation

Unit: NTD thousands

Product	2023		2024	
	Amount	Business weightage	Amount	Business weightage
E-sports	1,248,881	90.35%	1,096,780	86.85%
General cooling	34,637	2.51%	76,172	6.03%
Industrial control and home appliances	36,255	2.62%	51,107	4.05%
Communication	38,049	2.75%	30,781	2.44%
Vehicles and other	24,388	1.77%	7,975	0.63%
Total	1,382,210	100.00%	1,262,815	100.00%

(3) The Company's current products (services)

The Company’s products include DC Brushless Cooling Fans, Drum Fans, EC Fans, Miniature Fans, High IP Protection Rated Fans, and Fluid Dynamic Bearing Bearings (HDB), Molded Parts, Plastic Injection, SMT, Wires, and Related Processing. Fields of application include gaming, IT, communication, server, industrial control, home appliances, automotive, and other related cooling industries.

(4) Planned developments for new products (services)

The Company continues to develop computer cooling products through its complete processes in the field of fans. In addition to display card cooling fans, products continue to be added, such as power supply, chassis, CPU fans, and other customized products. Markets other than computer cooling include vehicle fans (cooling or exhaust), electric vehicle charging pile pooling, industrial control products (inverters, transformer cooling), Telcom(5G/Server/AI), green energy, home appliances, and so on. Percentage of R&D spending increased every year for developments of product and technology and maintaining the technology and patent leadership.

We continue to provide products with new and innovative designs and versatile applications to enhance the selling points for winning long-term customer relationships and market attention.

2. Industry overview

(1) Industrial status and development

All kinds of electronic devices around the world continue to become lighter, thinner, shorter, smaller, faster in computation, multi-functional, and energy-saving. The operating clock speed of the ICs is increasing as a result. Under the heating effect of current theory, when an electronic device is running, the current in the circuit generates unnecessary heat due to the effect of impedance. If the heat cannot be effectively dissipated, and keeps accumulating on the electronic components, the components might be damaged by the rising temperature. According to IEK's report, among the causes of device damage, high temperature causing dysfunction accounts for the highest ratio reaching 55%, higher than other causes such as vibration, humidity, and dust. Therefore, the quality of cooling devices has a huge impact on electronic product operations. Under this trend, the cooling efficiency requirement for cooling component also continues to rise.

In the field of thermal current, the cooling efficiency of forced convection is better than natural convection. Therefore, fan related applications have always played a vital role in cooing modules.

As for 5C products (communications, computers, consumer electronics, auto motive electronics, and medical electronics) applied in fan design over the years, in addition to rotation speed, efficiency, energy saving, low noise, long life, and stability improvements, how to design products in line with these applications has become one of the competitive indicators for fan manufacturers.

We believe applications for cooling components will continue to expand in the areas including PC, NB, servers, telecommunication, consumer electronics, car parts, industrial equipment, and optical industries, especially the IT industry.

As global technology continues to advance and grow, AI technology and high-performance computing are changing our world and leading the way. With the huge demand for computing brought about by these innovations, and the consequent problems of high power and high temperature, heat dissipation has become a necessary and important key technology.

With new product launches, consumer demands and product developments are the biggest catalysts for the growth in the cooling industry. Apart from the 3C applications mentioned above, cooling components are gaining their applications in sectors covering vehicle electronics, hand-held electronics, virtual reality, IoT, AI and high-performance computing. This problem encourages the dissipative component manufacturer to invest in research and development and increase production capacity to expand their market share. Furthermore, the emerging application of AI, meta, AIOT, and low altitude satellite (future 6G technology) causes the large increase of chip efficiency, and the heat consumption. That said, "heat dissipation" of a product needs to catch up with the development of application. The dissipative fans can be used in many aspects, including 5C products (communication, computer, consumer electronics, automotive electronics, and medical electronics), and industrial equipment, electro-optical industry. The third-generation semiconductor, and other new materials are introduced in the application of fast charging battery and new energy products, automotive electronics, and electric car. Dissipation of the high heat caused by high frequency, high speed, high power and large current becomes more urgent. The need of heat dissipation due to the continuous improvement of speed and functions of electronic products also encourages the manufacturers to strengthen their R&D capability and patented technology, and launch high-level dissipation products to satisfy the new application products' functionality.

Rooted with outstanding product designs, the Company has been making great efforts in R&D and product developments to maintain its technology and patent leadership for better profitability.

In addition, our high-standard producing craftsmanship, in-depth customer relationships with joint-development ability as well as timely shipment schedule from ample production capacity will certainly enable us with competitiveness in the cooling industry.

(2) Correlation of upstream, midstream, and downstream industry:

The Company's current main product line consists of cooling fan products. Cooling fan components are complex. The upstream related industries include: plastic raw materials, bearings, steel, metal processing, die-casting (aluminum die-casting, powder metallurgy), molds (metal stamping and plastic injection), wires, connectors, driver IC, passive components (resistors/capacitors/poles), printed circuit boards, and so on.

There is a wide range of downstream cooling fan applications. Fans are needed by all for enhancing air convection cooling efficiency. The fields of application include: information industry, Netcom equipment, optoelectronic industry, home appliance industry, information home appliances, audiovisual devices, industrial commercial equipment, automotive and electronics industries.

(3) Product development trends and competition:

With the rapid development of technology and ever-changing products, the applications and market demand also continue to expand and change. In recent years, in addition to the rapid popularization of smart phones, tablet PCs, and other consumer mobile devices, the rapid development of high-end technologies including 5G big data, Internet of things (IoT), cloud computing, and artificial intelligence (AI) technologies have also led to the rapid development of more emerging industries, such as cloud servers, electric vehicles, VR devices, unmanned aerial vehicles, etc. Therefore, more and more industries need cooling modules or other cooling products. Cooling product manufacturers with solid foundation and competitiveness have stepped into niche operating markets or seized market share in middle-high end product applications in recent years, reaching out to application fields other than the traditional computer industry to seek higher profits. The e-sports boom in recent years has led to the industry's increasing higher demand. Many traditional computer and component brand manufacturers have put in more efforts to enter the niche e-sports market and actively develop e-sport-exclusive product series, in the hope of keeping up with e-sports industrial growth. However, due to the increasing number of competitors, in order to cater to the needs of module manufacturers or end customers, 3Hs and double-speed product strategies will be the key to success.

A. Three Tops

(a) High Quality:

In response to the global environmental concept trend, major computer manufactures have one after another increased quality requirements, strictly prohibiting harmful substances in electronic products during processes or final products. Only by passing international manufacturers' high-standard quality audit and environmental certifications can there be sustainable orders.

(b) Long Life:

Fans have a long life, which can increase customers' product use life and reduce burdens on the environment and public security during future maintenance and recycling.

(c) High Performance:

"Light, thin, short, and small" are a featured development trend for all electronics products. How to use technology, innovation, R&D, and design to develop new materials for application in order to bring out high cooling efficiency in the limited spaces of mechanisms and using smart functions in place of manual information collection are the keys to successfully receiving purchase orders.

B. Double Speed

(a) Fast Design:

Due to the short life cycle of video cards, new video card chips NV/AMD continue to be launched every year. Therefore, in order to become a cooling fan manufacturer with a high market share, one must obtain new product specifications and marketing and market demand related information the fastest. Supplemented by software and hardware design equipment and years of solid industrial application and development technologies, products can be quickly design; in the design, process smoothness should be considered to achieve speedy manufacture and products with high yield rates through reasonable processes.

(b) Fast Delivery:

The factory demonstrates a high degree of vertical integration, from molding, injection molding, fan processing, SMT, motor winding, rotor processing, stator assembly, wire processing, finished product assembly, high compliance with delivery dates, high production flexibility, and quality control. At the same time, well-planned inventory, supplier management plans, and speedy and unobstructed shipment processes and transportation should be established to avoid stagnant inventory and materials.

C. Three Lows (3Ls)

(a) Low Costs:

With the global 3C industry's price competition becoming increasingly fierce, all suppliers are facing enormous pressure to reduce prices. Therefore, how to apply efficient management, enhance our own component manufacturing, improve processes, increase yield rates, vertically integrate manufacturers, automation I place of manpower to reduce costs, and increasing gross profit are the objectives of uttermost importance to the industry at present.

(b) Low Noise:

Cooing fans with thermal modules and system applications are widely used in daily life. Take for example an environment where notebook computers are readily accessible, a quiet office, and an audiovisual equipment environment, the size of noise value and even noise quality are listed for consideration as product rating indicators and the key factors contributing to proprietors' competitive market advantage.

(c) Low Power Consumption:

The goal of 3C product design is to reduce power consumption in response to the trend of energy conservation and carbon reduction. R&D and application of optimized fan motor, the blade shape and the circuit matching for low energy consumption have been carried out to meet customers' design goals.

In view of the above future industrial development trends, whether cooling fan manufacturers can continue to launch products in line with market trends will be the key factor contributing to whether the proprietor can gain an advantage in the competitive market.

(4) Competition

The major competitors of cooling fans are classified as follows:

A. Well-known international Japanese manufacturers: Sanyo, Denki, Nidec, and NMB.

B. Domestic first-line manufacturers: Sunon, Asia Vital and Delta.

C. Other companies: Everflow Technology Corp., Yungli, and Chinese investment company FirstCo Corp.

Since there are many competitors and that cooling fan applications are for the 3C industry with steady growth and maturity, the industry target customers with large purchase orders and use price competition as a means of marketing, thus the fierce market competition and resulting in the industry's price shreds for sales and quality inconsistency. In view of the Red Sea market, the cooling fan manufacturers encounter blind spots, including: 1. Slow production operation with poor flexibility; 2. Inability to comply with small qualities and large diversities; 3. Inability to quickly respond to and coordinate new product development for customers. The above are the keys to the Company's urgent need to achieve breakthroughs in the industry

Since the short life cycle, complicated design, fast R&D, and high quality requirement of IT product, it is more important for components to catch up with the updated technology and speed. Due to the differentiation tendency - each client has difference product specifications and objectives - manufacturers should be able to change their production processes and R&D to accommodate the needs. We are already capable of developing technology when we first entered into the graphics card market. After many years of R&D experience, we have applied for several patents to ensure the company's competitiveness. The guidelines of product development are "Application and Compatibility" "Collaborative Design" and "Innovative Technology". The company collaborates with the clients at the early stages of product design to set the new product specifications, conduct technology testing and verification, and pass the client's product certification.

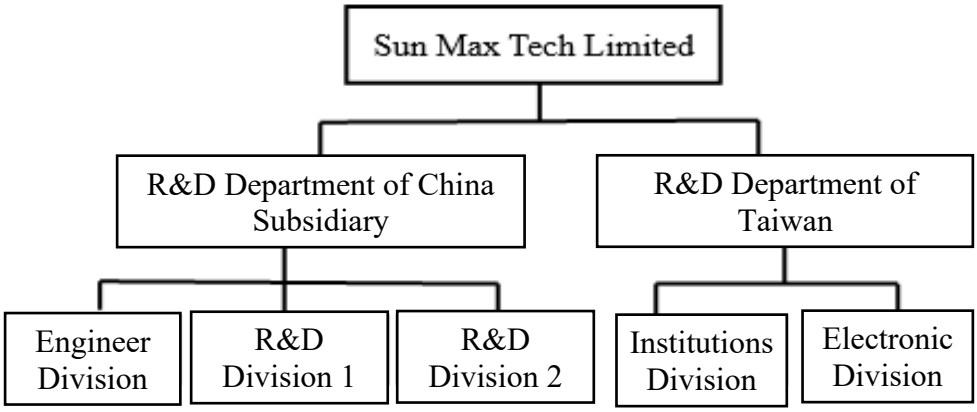
In response to the client's need of development changes and rapid reaction to the market variation, and the growing application of AI, servers and In-vehicle green energy, deepen the technical level and actively invest in the optimization and automation of production processes through the R&D and design capability. Reduce the cost, shorten delivery lead-time, stabilize quality, and increase the production capacity during production operation to reach the goal of competitiveness of beloved brand - "Continuous Client Satisfaction".

3. Technological research and development

(1) Technical level and R&D for business operations

The Company has deep plowed the field of fan products for two decades. Currently, new products are mostly co-developed with end customers, in close cooperation with customers as early as R&D commencement. Product design is carried out targeting different customer attributes, and mass production is imported. In addition to product R&D, process improvement continues to be ongoing. Automated equipment continues to be imported to enhance production efficiency and quality and reduce production costs. In addition, the Company engages in technological cooperation with its customers and suppliers to improve product function and enhance the Company's innovation and R&D competitiveness.

The Company's R&D Department's organization is as shown in the diagram below:



(2) Academic/career backgrounds of the R&D personnel

Unit: person

Item	Year	2020	2021	2022	2023	2024
Education	Doctoral Degree	1	1	1	1	1
	Master	8	8	8	5	19
	Bachelor	8	7	13	12	36
	College	12	20	19	21	8
	Below Senior High School	19	18	18	13	4
	Total	48	54	59	52	68

(3) Annual R&D expenses for the last years

Unit: NT$ thousand; %

Item / Year	2020	2021	2022	2023	2024
Research and development expenses	52,434	60,967	63,709	68,551	88,143
Net revenue	1,578,165	1,839,214	1,658,588	1,382,210	1,262,815
Percentage to operating revenue	3.32%	3.31%	3.84%	4.96%	6.98%

(4) Successfully developed technologies or products for the last 5 years

Year	R&D results	R&D results
2020	Product design	85 patents cover fan blade, server cooling fan, LED effect and newly-created products
2021	Product design	30 new patents about fan structure (fan blade and lighting effect)
2022	Product design	The addition of 29 fan structure patents.
2023	Product design	The addition of 24 fan structure patents.
2024	Product design	The addition of 46 fan structure patents.

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

(1) Short-term business development plans

A. Having closer cooperation with agents to introduce new customers.
B. Proactively develop basic product market, such as electronic fans used in AI, 5G, AIOT, servers, automobile and new energy diverse appliance design applications to earn higher profits.
C. Refining the automation equipment to increase the flexibility of a small but a variety of production.

(2) Long-term business development plans

A. With the development of the technology industry and the trend of consuming electronics integration, the Company continues to enhance its core competitiveness and creativity through innovative R&D and design, enhanced manufacturing capabilities and improved application technology.
B. Develop overseas customers and markets to lead the Company toward globalized development.
C. Development of smart home appliances: co-working with our customer to develop cooling systems used in home appliances
D. Engage in the R&D of new-energy products such as cooling fan charging cabinets and charging modules.
E. With the rise of AI, 5G, AIOT and servers industries, the transmission of products will rise, and cooling will become more important. Fan design and application in diverse markets with the timely design of products meeting clients' needs will be the competition indicator among fan suppliers.

II. Market and sales overview

1. Market Analysis

(1) Main products (services) sales (providing) area

Unit: NTD thousands

Sales area	2023		2024	
	Amount	Proportion %	Amount	Proportion %
China	1,164,918	84.28	1,076,302	85.23
Taiwan	79,578	5.76	66,014	5.23
Others	137,714	9.96	120,499	9.54
Total	1,382,210	100.00	1,262,815	100.00

(2) Market share

The Company is the world's main e-sports cooling fan supplier at present who provides customers with more competitive products featuring unique performance.

According to the latest report by Newzoo, a market analysis company, the global game market will generate a total revenue of US$18.77 billion in 2024, up by 2.1% year-over-year.

Although this figure was lower than the estimated US$18.93 billion in 2024, it still indicated a steady growth trend in the game market.

According to the forecast of Newzoo, the compound annual growth rate of the global game market will reach 3.1% from 2022 to 2027, and the market scale is expected to increase to US$21.33 billion in three years.

The future of the global video game industry is bright in the long run. This indicates a fairly robust trend for gaming industry in mid to long terms.

With the wave of AI technology ignited by Chat GPT and the increasing new applications of the Internet of Vehicles, the Internet of Things and the Metaverse, governments of various nations are actively promoting infrastructure construction, including smart cities, smart grids/charging piles and energy storage systems. While both the CPU and GPU are now more powerful in terms of computing capability, they produce more heat. Moreover, the global community is actively implementing ESG energy conservation and carbon reduction initiatives. The topic of inefficient heating methods has risen to the forefront of policy discussions. Our company accepts greater and more difficult challenges in line with the market and continues to conduct research and development on AI, 5G, servers, AIOT, green energy, smart home appliances, automotive, Netcom and e-sports notebooks and other related applications.

(3) Future market supply and demand and the growth

① Video Card Market

The focus of the graphics card is GPU. The main manufacturers of GPUs are Nvidia/AMD/Intel. The main functions of GPUs are to accelerate computation tasks. However, there are some accelerators that are designed to accelerate machine learning tasks. Among the companies that manufacture these accelerators, some of them have manufactured traditional GPUs. So far, they have made progress in the design of machine learning, which is called the data center GPU. Data center GPUs and AI accelerators have more memory than traditional GPUs. Therefore, the data center GPU is more suitable for large-scale artificial intelligence models. To deal with the large-scale AI model such as ChatGPT, it is necessary to combine the GPUs of multiple data centers into a strong computing system. This also requires complex software to process all computing capabilities.

According to the research institution, Jon Peddie Research, the shipment volume of NVIDIA increased significantly by 61.9% year-over-year and even 9.7% in Q3, driven by the demand in artificial intelligence, data centers, and game markets. The steady demand in the mid-end graphics card market has benefited the growth of AMD's business, which grows by 3% YOY, and grows by 9% in Q3.

According to the market research institution, Jon Peddie Research, the revenue of developers of GPUs will also grow as the demand increases rapidly. In 2024, the global market scale of GPUs will exceed US$98.5 billion.

② Personal Computer Market

According to the latest survey report published by Canalys, the global PC market has stabilized in 2024, and the full recovery will take place in 2025. The refresh cycle of the commercial market will begin. Data shows that in Q4, the global PC market has achieved growth for five consecutive quarters, with the total shipment of desktop computers, notebooks, and workstations reaching 67.4 million units, with a growth rate of 4.6%, and the shipment of desktop computers declined by 1.4% to 13.7 million units. According to Canalys, 2025 will be a year of accelerated growth. Microsoft will terminate the support of Windows 10 by the end of October; therefore billions of PC users will be forced to update their devices.

With the thriving development of generative AI applications in recent years, the demand for AI inference, which used to rely heavily on cloud data centers, is now trending toward AI applications directly on the terminal devices, making the AI PCs the center of attention in the PC industry. The impact includes hardware updates and major changes in the user scenarios and supply chain reorganization. The huge business opportunities in the AI PC industry have become a battleground for many big firms. As more R&D resources and funds continue to be invested, AI PCs will become a key player in moving the industry towards the next peak.

③ Notebook Computer Market

According to the latest survey by TrendForce, the global notebook market in 2024 was affected by high interest rates and geopolitical factors, and demand recovered slowly. It is expected that the total annual shipment volume will reach 174 million units, with an annual growth rate of 3.9%. Looking ahead to 2025, the U.S. election has reduced political uncertainties. The U.S. Fed will cut interest rates in September 2024, which will help increase capital liquidity. The end of Windows 10 and the demand for business replacements are expected to drive notebook shipments in the coming year, with an annual growth rate of 4.9%, reaching 183 million units.

The market is currently paying attention to the "America First" policy that Trump has implemented since his assumption of office, such as whether the increase in import tariffs will affect domestic market demand in the U.S. This is still to be observed after the new government takes office. Currently, China is still the main production site of notebook computers in the world, and its production capacity accounts for approximately 89% of the global market. Although some of the original design and manufacturing vendors (ODMs) have actively deployed production lines in Vietnam, Thailand, India, and Mexico, the complete ecosystem of supply chain is still in place. The promulgation of related laws and regulations will take time to be implemented. Therefore, TrendForce has made adjustment to the forecast of global notebook shipments in 2025.

④ Telecom, server market:

To meet the high-speed computing requirements of the cloud, 5G public cloud, 5G private network, AI and edge computing, semiconductor processes are evolving toward a

more sophisticated nano-process and wafer-level 3D packaging. In addition to the continual reduction in chip size, more transistors have been integrated, resulting in a greater heat impact. Even more so, high-speed computing and high-speed transmissions that operate continuously, even around the clock, significantly increase the high heat frequency.

Smart edge computing combines advanced wireless connection technology, condensed computing capability, and AIs installed near the data usage and generation equipment. Following the enhancement of cloud computing, data analysis, and AI, the technology represents the evolution and integration of industrial monitoring, automated manufacturing, utility business management, and telecom. A corresponding equipment and IC efficiency have become the biggest challenge to heat dissipation. The foregoing equipment will play a main role in each country's infrastructure. 24-hour operation, fast transmission, stable signal, power-saving, and climate-resistance are the basic features required for all telecommunication products. Therefore, high air volume, high wind pressure, high and broad voltage, IP protection, power-saving, and intelligent circuit design are the focuses of development.

According to the survey conducted by TrendForce, the market is expected to be strong for high-end AI server demand in 2025, particularly for the new generation of Blackwell (including GB200, B100/B200) by Nvidia, which will replace the Hopper platform as the mainstream in the market, and which will also drive the demand for CoWoS and HBM. Take the B100 chip of Nvidia as an example. The chip size will double that of H100, which will consume more CoWoS. It is estimated that in 2025, the production capacity of TSMC, the main supplier, will reach 550k to 600k by the end of year, with a growth rate of nearly 80%. In terms of HBM consumption, the mainstream H100 with 80GB HBM3 will be the main chip in 2024, and the main chips such as NVIDIA Blackwell Ultra or AMD MI350 will be equipped with 288GB HBM3e by 2025, with a unit consumption growth of more than three times. With the continuous strong demand in the AI server market, it is expected that the overall supply of HBM in 2025 will double.

(4) Competitive niche

① The diversity of one-stop production lines, mass production, and planning management-based manufacturing advantage meet customers' demand for delivery flexibility as well as market changes.

② Setup of independent production lines: Products with high products in small quantities and large diversities (machine models) in response to new products on the market.

③ The Company maintains long-term positive partnerships with its major customers to jointly develop new products and provide opinions and demands, create a closer collaboration mode, and strengthen "working with customers as one" to markets in concerted efforts.

④ Price Competitiveness: Engage in lean production management in response to the pressure of rising costs, promote management improvement through technology improvement and importation of automated equipment, gradually achieving market demand for price drops.

⑤ International Certification: The Company has obtained ISO 9001 and ISO 14001 system certifications for several years. For ISO/TS 16949, the IATF 16949 certification was obtained in 2017, and the quality of the products manufactured has received much recognition from customers. In addition, we obtained the ISO 45001 occupational health and safety management system certification in 2024 to establish and implement a friendly workplace environment. At the end of the same year, we also successfully acquired the

ISO 50001 Energy Management System certification, demonstrating our commitment to environmental protection and energy efficiency.

⑥ Achieved harmonious labor relations, production efficiency and quality stability.

(5) Advantages and disadvantages of future development and the countermeasures

① Favorable factors

A. Grasp of Research and Development and Markets

We were greatly benefited in the graphic card market. In addition, through our development efforts in sectors covering vehicle on-board device, servers, internet communication, smart home appliance, and gaming laptop, we are capable of offering applications using steam and water cooling technologies, and tapping into high-end technologies including high air volume and wind pressure and low noise, power consumption and vibration, as well as applications in special conditions like high/low temperature, water and dust proof. In the meantime, we are working with our customers on fans controlled by smart circuit for applications in low starting pressure and voltage/current withstanding.

In the cooling fan production process, in addition to integration material applications and fluid mechanics related knowledge, the production technology R&D capabilities of manufacturers have also been put to the test. In addition to professional R&D personnel with a solid background, the Company has also obtained international certifications, including ISO9001 and ISO14001 and has obtained certification from major domestic and foreign manufacturers, a full indication of the Company's receiving affirmation and recognition.

B. Increased Market Demand

(A) Increased chip and memory performance and energy consumption, and higher operating temperatures have resulted in higher operating temperatures are driving demand for more high-end, advanced cooling products.

(B) The market demand for the equipment with algorithmic efficiency and de-heating power consumption is steadily increasing.

(C) The trend towards miniaturization, thinness, and high performance in customer demand for de-heating products is in the technology leader's favor.

(D) Tighter carbon footprint regulations have made customers more willing to replace their motors and fans with more energy efficient ones as applications.

(E) The development trends such as the Internet of Things (IoT), artificial intelligence (AI), 5G communication devices, and high-performance computing are driving more demand.

(F) AI servers/PCs, with powerful computing power of their core components, have seen the machine's Thermal Design Power (TDP) rise dramatically, driving iterative updates to cooling systems.

C. Product Competitiveness

Effective cost control gives the Company a better competitive edge, which is coupled with the high level of internalized production at present and a rapidly accelerating degree of automation.

(A) Provide customers with instant and rapid services.

(B) Provide unit prices with market competitiveness.

(C) Shipments are in cooperation with customers' required delivery dates.

(D) Increase production output and reduce process defective rates.

(E) Provide customers with technical support.

(F) Vertical integration of key components is technically complete.

(G) Collaborative design with customers, good co-development capabilities, fast response time, and strong customization ability

② Unfavorable Factors and Specific Coping Strategies

A. Fierce Market Competitiveness

Due to the increasing competition in PC products, electronic components have been facing increasing pressure to lower prices. With the shorter life cycle of PC products and numerous competitors, the industry's under greater competitive pressure.

Responsive strategies:

Fully grasp market changes actively enhance R&D design and management capabilities, strengthen supply chain vertical integration, enhance internalization level, and accelerate automated production.

B. Increase of Labor costs

Due to rapid cross-trait development, increased national income, and yearly wage increases in recent years, labor requirements and production costs increase every year. Moreover, the current cooling fan assembly process requires manual assembly, testing, and packaging, resulting in operational pressure.

Responsive strategies:

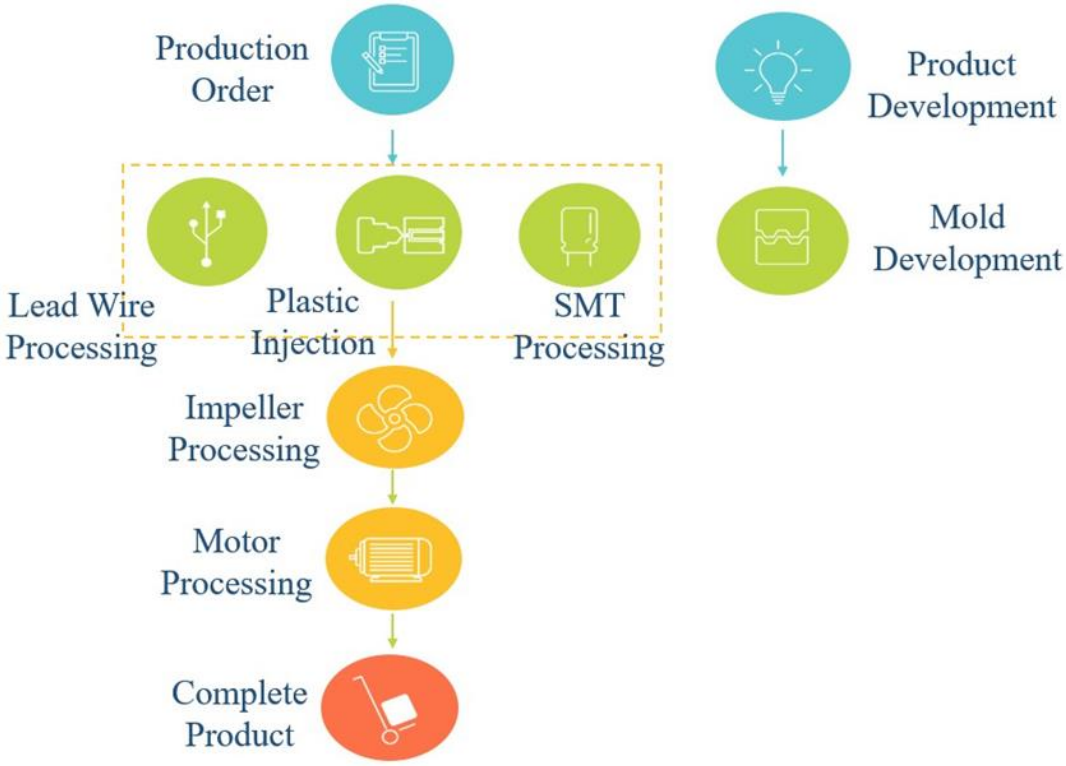
Since the company's primary production base is in mainland China, it has improved and accelerated production automation to decrease the need for labor in the production process and increase the efficiency and productivity of the production line. This was done in response to the rise in production costs brought on by the annual increase in labor wages in the mainland. Apart from developing high performance and high profit products, the Company also developing cross-field products to increase added value.

2. The purpose of key items and production process

(1) Intended use of the main products

Main products	Important Uses
Cooling fan	e-sports, PC, NB, Communication network, industrial control, vehicle, home appliances, and other mechanical cooling components.

(2) The production process of the main products



3. Supply of key materials

Main raw materials	Main Sources	Supply status
IC	China/Taiwan	Good
Bearing	China/Taiwan	Good
Plastic material	China/Taiwan	Good
Diode	China/Taiwan	Good
PCB	China/Taiwan	Good
Packaging material	China/Taiwan	Good
Enameled wire	China/Taiwan	Good
Capacitance	China/Taiwan	Good
Silicon lamination	China/Taiwan	Good
Copper alloy	China/Taiwan	Good

(2) List of key customers for purchase and sales: Names of suppliers accounting for more than 10% of the total purchase in any of the last 2 years, the amount of purchase and proportion to total purchase, and explain the reasons for the changes

Unit: NTD thousands

	2023				2024			
Item	Name	Amount	Ratio to the annual net purchases amount [%]	Relationship with the issuer	Name	Amount	Ratio to the annual net purchases amount [%]	Relationship with the issuer
1	Manufacturer A	53,577	11.10	None	Manufacturer A	46,833	10.94	None
2	Manufacturer B	49,443	10.24	None	Manufacturer B	31,232	7.29	None
3	Others	379,692	78.66	None	Others	350,211	81.77	None
	Purchase Net	482,712	100.00		Purchase Net	428,276	100.00	

In 2024, with the impact of inflation on global consumption, the annual revenue declined year-on-year, so the net purchase also decreased.

The reason for the decrease in purchase from vendor B in 2024 was that the Company has developed other suppliers to diversify the purchase risk, resulting in a decrease in the proportion of net purchase for the year.

(2) Names of customers accounted for more than 10% of the total sale in any of the last 2 years, the amount of sale and proportion to total sale, and explain the reasons for the changes:

Unit: NTD thousands

	2023				2024			
Item	Name	Amount	Ratio to the annual net sales amount [%]	Relationship with the issuer	Name	Amount	Ratio to the annual net sales amount [%]	Relationship with the issuer
1	Customer A	239,184	17.30	None	Customer A	249,874	19.79	None
2	Customer B	238,443	17.25	None	Customer B	202,287	16.02	None
3	Others	904,583	65.45	None	Others	810,654	64.19	None
	Sales Net	1,382,210	100.00		Sales Net	1,262,815	100.00	

The global consumption power did not recover significantly from the previous year's inflation in 2024, and the graphics card market was still affected by product replacement in the second half of the year, resulting in a decrease of 8.64% in the Company's revenue in 2024 compared to the same period in 2023.

III. Number of employees in the last 2 years to the date this report was printed.

Unit: person; year; years old

Year		2023	2024	March 31, 2025
Employee No.	Direct labor	455	485	654
	Indirect labor	333	318	348
	Total	788	803	1002
Average age		30.7	30.95	29.73
Average seniority		4	4.39	3.12
Academic qualification	Doctoral Degree	0.43%	0.37%	0.34%
	Master	14.38%	13.62%	13.07%
	College	22.13%	22.05%	20.70%
	Below Senior High School	46.72%	45.47%	45.95%

IV. Information on spending on environmental protection

In the last fiscal year and until the publication date of the annual report, loss caused by environmental pollution (including damages and environmental audit result indicating violation of environmental laws and regulations, where sanction date and number, violated laws and their content and sanction content shall be specified), estimated amount that could be incurred currently and in the future, as well as the response plan shall be disclosed. In the event it cannot be reasonably estimated, the fact that causes the reasonable estimate to be unavailable shall be explained: None.

The Company's expenses relating to environmental protection are explained below:

1. Permit of the installation of pollution treatment facility, or permit for emission of pollutants, or the payable fees for anti-pollution treatment, or the appointment of the designated body and personnel for environmental protection under law, and the status of licensing, payment or installation of such facility:

   (1) Pollution Facility Setup and Pollutant Discharge Permit

   DONG GUAN DONG LI DIAN ZI CO. LTD., and Taiyi (Jiangxi) Electronic Technology Co., Ltd., mainly produce cooling fans and use plastic parts, circuit boards, silicon lamination, enamel wires, magnetic strips, metalclad, and wire as raw materials. The main process equipment includes injection machines, winding machines, pin inserting machines, tin furnaces, soldering irons, placement machines, oscilloscopes, pneumatic presses, etc. Pollutant Discharge and Environmental Impact Rating on Construction Projects and environmental Protection Application Form by Dongguan Environmental Protection Bureau (Changping Branch): No impact on surrounding environment and no industrial wastewater discharge with signatures affixed as confirmation. POWER LOGIC TECH. INC obtained the ISO14001 International environmental management Verification on June 11, 2007; Taiyi (Jiangxi) Electronic Technology Co., Ltd. obtained the certification in July 2020.

   Since the processes cause no pollution, only waste disposal by a commissioned certified company according to provisions needs to be done. There is no need to apply for a pollution prevention and control certificate or set up pollution prevention and control facilities.

   A. DONG GUAN DONG LI DIAN ZI CO. LTD. signed a service contract for hazard treatment with Yuelong Environment Technology in Guangdong (2024/06/01~2025/05/31) to dispose industrial waste and liquid during the production process. A contract was signed with Dongguan Da Feng Environmental Services Co., Ltd. (contract duration: 2024/09/21~2025/09/20) for solid waste disposition.

      Powerlogic (Jiangxi Tai Yi) entered into the Hazardous Waste Disposal Service Agreement with Jiujiang Puze Environment Technology Ltd. (contract duration: 2024/08/01 to 2025/07/31), and entered into the Regular Solid Waste Disposal Service Agreement with Hongfa Renewable Resources Recycle Liyong Co., Ltd. (contract duration: 2024/07/18 to 2025/07/17).

   B. DONG GUAN DONG LI DIAN ZI CO. LTD. has been certified by the local environmental protection administration for its waste water treatment. No further associated agreement is needed.

   (2) Payable fees for anti-pollution treatment

   A. On the setup of Power Logic Tech. Inc. in Tianwei Village, wastewater treatment fees were paid to the Tianwei Village Committee. In 2014, payments were instead paid to Guangdong GDH Water Company Limited The basis of payment was computed by tap water usage. In 2014, the payment totaling RMB 82,135.36; in 2015, the payment totaling RMB 45,174.44; in 2016 the payment totaling RMB 77,738.40; in 2017, the payment totaling RMB 71,570.4; in 2018, the payment totaling RMB 61,973.40; in 2019, the payment totaling RMB 48,510.3; in 2020 the payment totaling RMB 84,075.29; in 2021 the payment totaling RMB 197,705.90; in 2022 the payment totaling RMB

43,862.30; in 2023 the payment totaling RMB 37,345.59; in 2024 the payment totaling RMB 23,590.28.

B. Taiyi (Jianxi) Electronic Technology pays its sewage treatment fees to Anfu County Water Construction Company. The fee is calculated based on the tap water consumption. The total fee was RMB 11,762.40 in 2019, RMB 56,558.40 in 2020 and RMB 53,431.20 in 2021. In 2022 the payment totaling RMB 47,958.00; in 2023 the payment totaling RMB 44,606.40; in 2024 the payment totaling RMB 49,389.60.

2. Specify the investment in the major equipment of the Company for environmental protection and anti-pollution, the purpose and desired result: None.
3. The effort of the Company in the improvement of the environment from pollution in the last 2 years to the date this report was printed. If there is dispute concerning pollution, specify the process of responding to the situation: Not applicable.
4. Describe the status of pollution and corrective action, and the influence on the earnings, competitive position, and capital expenditures of the Company, and the major capital expenditures for environmental protection projected in the 2 years ahead
   (1) Current condition of pollution and the impact of its improvement to the profits, competitive position and capital expenditures of the Company, as well as the projected major environment-related capital expenses to be made for the coming 2 fiscal years.
   (2) Expected environmental protection capital expenditure in the next two years: None.

V. Labor-Management Relations

(I) The implementation of employee welfare policy, continuing education and training, and retirement system, and labor-management coordination, and the protection of the rights of the employees:

1. Staff fringe benefits

Regarding welfare measures for employees of the Company's subsidiaries, in addition to National Health Insurance and Labor Insurance provisioned in Labor Standards Act of the Republic of China, employees are also insured with accident insurance and group insurance and are entitled to the following employee welfare measures: perfect attendance bonus, birthday cash gift, year-end bonus, bonus for three major holidays, incentive bonus, performance bonus, monthly birthday parties, year-end banquet, employee wedding cash gift, maternity allowance, funeral allowance, employee domestic (overseas) education grant, hospitalization consolation money for employees, 2-day weekends, maternity leave for male employees, special leave, annual leave, employee retirement allocation, etc., which guarantee employee benefits.

For staff in the Dongguan and Jiangxi Plant, in addition to social pension insurance, hospitalization, outpatient clinic medical insurance, unemployment insurance, industrial injury insurance, and maternity insurance insured by law, there are job promotion and salary raise opportunities every year to timely award employees with outstanding performance. Depending on the company operational performance and employment performance assessments, monthly bonuses and year-end bonuses are distributed. In collaboration with the Welfare Committee, achievement recognition activities are held during major holidays, and annual gatherings are held at the end of the year. The Company promotes proposal improvement activities. If a proposal effectively enhances efficiency or reduces costs, cash prizes are awarded as encouragement.

2. Education and Training Situation

The Company focuses on talent cultivation and employees' in-service education and training, in the hope of enhancing employees' overall literacy and work skills.

(1) Pre-service Training

The Management Department shall commence pre-service training on incoming personnel based on job function and the condition of newcomers in order for them to understand the Company's development history, corporate culture, management rules, industrial safety, environmental management, production processes, quality control, regulatory and legal contents, concept training, etc.

(2) Pre-service Professional Training

Special and professional personnel and personnel of national regulated jobs involving higher risks/special tasks. Before officially commencing work and led by the Management Department, the Recruitment Department shall implement professional pre-service training or commissioned training. Employees may take up their job past after obtaining qualification. The Management Department shall retain and monitor the relevant job transfers, transfer training and qualification evaluation records.

(3) On-the-job training

External training, online education, lectures, etc. are scheduled periodically to enhance employees' job-related skills and knowledge so that they can achieve their career development and planning goals and effectively apply their newfound knowledge at work, thereby enhancing their self-esteem.

(4) Professional Skill Training

R&D employees should keep up their fundamental skills while working. Our company occasionally offers external training and other advanced courses in order to keep up with the market's rapid changes, enabling employees to maintain the necessary skill levels and fulfill career requirements.

(5) The 2024 staff advanced study and training

Item	Date	Course content	Course time	Course unit/Professor	Participants
1	2024/4/16	The latest amendments to the CFC system and how to report	3.5	Hamber Consulting Service Inc.	Chang o Hsiang
2	2024/4/17	Courses for directors, supervisors, and corporate governance officers – Economic situation and market opportunities in New Southbound countries	3	Securities and Futures Institute	YAO o Min
3	2024/4/26	Courses for directors, supervisors, and corporate governance officers – Global and Taiwan Economic Prospects in 2024	3	Securities and Futures Institute	YAO o Min
4	2024/9/18	[2024 ESG Summit] Net zero, all-round, and sustainable future	6	Accounting Research and Development Foundation	Chang o Hsiang
5	2024/10/1	2024 Environmental and Economic Win-win: Taiwan's ESG Practice	3	Independent Director Association Taiwan	YAO o Min

Item	Date	Course content	Course time	Course unit/Professor	Participants
6	2024/10/17	Continuing education for accounting executives from security issuers, security brokerages and security exchanges	6	Accounting Research and Development Foundation	Lu o Wei
7	2024/10/18	Continuing education for accounting executives from security issuers, security brokerages and security exchanges	6	Accounting Research and Development Foundation	Lu o Wei
8	2024/12/26	Continuing education for accounting executives from security issuers, security brokerages and security exchanges	6	Accounting Research and Development Foundation	YAO o Min
9	2024/12/27	Continuing education for accounting executives from security issuers, security brokerages and security exchanges	6	Accounting Research and Development Foundation	YAO o Min
10	2024/8/6-2024/8/20	Training for supervisors of type B occupational safety and health business	35	Chuang Yu-Chung Wang Hsi-Nien Su Chien-Ming	Liu o Wen
11	2024/8/28	On-the-job education training for managers in labor safety and health management	6	Ke Chun-Jen	Chen o Chen
12	2024/10/23	On-the-job education training for managers in labor safety and health management	6	Ke Chun-Jen	Hung o Liang
13	2024/9/13	AMA Official Course for SUN MAX TECH LIMITED	8	Otsuka Training Center	Lu o Yuan
14	2024/10/24	FLOEFD for Creo Basic Courses	8	Otsuka Training Center	Lu o Yuan
15	2024/11/20	ZEISS Inspect Optical 3D Basic Testing Course	8	Road Ahead Technologies Consultant	Lu o Yuan
16	2024/11/21	ZEISS Inspect Optical 3D Basic Testing Course	8	Road Ahead Technologies Consultant	Lu o Yuan
17	2024/7/18	IATF16949 and 6 major tool training	7	Brain Source Limited	Lu o Yuan
18	2024/7/19	IATF16949 and 6 major tool training	7	Brain Source Limited	Lu o Yuan
19	2024/7/20	IATF16949 and 6 major tool training	7	Brain Source Limited	Lu o Yuan

Item	Date	Course content	Course time	Course unit/Professor	Participants
20	2024/9/15	IATF16949 and 6 major tool training	7	Brain Source Limited	Lu o Yuan
21	2024/9/16	IATF16949 and 6 major tool training	7	Brain Source Limited	Lu o Yuan
22	2024/9/17	IATF16949 and 6 major tool training	7	Brain Source Limited	Lu o Yuan
23	2024/9/22	IATF16949 and 6 major tool training	7	Brain Source Limited	Lu o Yuan
24	2024/9/23	IATF16949 and 6 major tool training	7	Brain Source Limited	Lu o Yuan
25	2024/9/24	IATF16949 and 6 major tool training	7	Brain Source Limited	Lu o Yuan
26	2024/9/4	Ball Bearing Design and Fan Materials Introduction Education Training	1.5	NSK	Lu o Yuan
27	2024/11/20-2024/11/21	ZEISS Inspect Optical 3D Basic Testing Course	11	Wang Ting’en	Lu o Shuo
28	2024/5/8	NX Basic Courses	8	Otsuka Training Center	Lu o Shuo
29	2024/5/9	NX Basic Courses	8	Otsuka Training Center	Lu o Shuo
30	2024/5/10	NX Basic Courses	8	Otsuka Training Center	Lu o Shuo
31	2024/5/11	NX Basic Courses	8	Otsuka Training Center	Lu o Shuo
32	2024/6/13	NX CAD Advanced Courses	8	Otsuka Training Center	Lu o Shuo
33	2024/6/20	NX CAD Advanced Courses	8	Otsuka Training Center	Lu o Shuo
34	2024/10/24	FLOEFD for Creo Basic Courses	8	Otsuka Training Center	Lu o Shuo
35	2024/10/23	Ansys CFD Computational Fluid Dynamics Analysis Basic Courses	8	Cybernet Systems Taiwan	Lu o Shuo
36	2024/3/3-2024/3/31	Human Resource Management Practice Course	35	Chen Li-Hung	Yang o Tzu
37	2024/4/13-2024/4/27	ESG Personnel Resource Practice and Application Training Course	18	Chang Wen-Chen	Yang o Tzu
38	2024/12/7-2024/12/28	Salary Design and Performance Bonus Planning Practice Course	24	Wang Ching-Tung	Yang o Tzu

Item	Date	Course content	Course time	Course unit/Professor	Participants
39	2024/5/14	3-day Greenhouse Gas Inventory Seed Course	6	Consultant, Industrial Development Administration	Chen o Ju
40	2024/5/15	3-day Greenhouse Gas Inventory Seed Course	6	Consultant, Industrial Development Administration	Chen o Ju
41	2024/5/16	3-day Greenhouse Gas Inventory Seed Course	6	Consultant, Industrial Development Administration	Chen o Ju
42	2024/06/20	Manufacturing Industry Low Carbonization Enhancement Class A	6	Consultant, Industrial Development Administration	Chen o Ju
43	2024/06/21	Manufacturing Industry Low Carbonization Enhancement Class A	2	Consultant, Industrial Development Administration	Chen o Ju
44	2024/7/17	Carbon Footprint 2-day Advanced Courses	6	Consultant, Industrial Development Administration	Chen o Ju
45	2024/7/18	Carbon Footprint 2-day Advanced Courses	6	Consultant, Industrial Development Administration	Chen o Ju
46	2024/07/30	2024 Sustainability Information Management Internal Control System Seminar	3.5	Trading exchange lecturer	Chen o Ju
47	2024/8/12	ESG regulation analysis and response strategies (SASB and FSC)	3	Consultant, Li Chin-Wen	Chen o Ju
48	2024/8/12	ESG regulation analysis and response strategies (SASB and FSC)	3	Consultant, Li Chin-Wen	Chen o Ju
49	2024/9/12	Climate-Related Financial Disclosures (TCFD) Best Practice	3	Consultant, Li Chin-Wen	Chen o Ju
50	2024/9/12	Climate-Related Financial Disclosures (TCFD) Best Practice	3	Consultant, Li Chin-Wen	Chen o Ju
51	2024/10/21	Listed company business propaganda in 2024	3.5	Trading exchange lecturer	Chen o Ju
52	2024/11/14	Advanced Course on the Practice of Climate-Related Financial Disclosure (TCFD)	3	Consultant, Li Chin-Wen	Chen o Ju

Item	Date	Course content	Course time	Course unit/Professor	Participants
53	2024/11/14	Advanced Course on the Practice of Climate-Related Financial Disclosure (TCFD)	3	Consultant, Li Chin-Wen	Chen o Ju
54	2024/11/26	2024 Sustainability Report Preparation and Production Seminar	3	Securities and Futures Institute	Chen o Ju
55	2024/12/16	ESG regulation analysis and response strategies (SDGs)	3	Consultant, Li Chin-Wen	Chen o Ju
56	2024/12/16	ESG regulation analysis and response strategies (SDGs)	3	Consultant, Li Chin-Wen	Chen o Ju
57	2024/7/18	IATF16949 and 6 major tool training	6	Lecturer, Tien Ke-Jui	Li o Ting
58	2024/7/19	IATF16949 and 6 major tool training	6	Lecturer, Tien Ke-Jui	Li o Ting
59	2024/7/20	IATF16949 and 6 major tool training	6	Lecturer, Tien Ke-Jui	Li o Ting
60	2024/8/15	IATF16949 and 6 major tool training	6	Lecturer, Tien Ke-Jui	Li o Ting
61	2024/8/16	IATF16949 and 6 major tool training	6	Lecturer, Tien Ke-Jui	Li o Ting
62	2024/8/17	IATF16949 and 6 major tool training	6	Lecturer, Tien Ke-Jui	Li o Ting
63	2024/8/22	IATF16949 and 6 major tool training	6	Lecturer, Tien Ke-Jui	Li o Ting
64	2024/8/23	IATF16949 and 6 major tool training	6	Lecturer, Tien Ke-Jui	Li o Ting
65	2024/8/24	IATF16949 and 6 major tool training	6	Lecturer, Tien Ke-Jui	Li o Ting
66	2024/10/22	Implementation of Darfon APQP management system	1	Manager, Chiu Pei-Chi	Li o Ting
67	2024/10/29	Implementation of Darfon APQP management system	4	Manager, Chiu Pei-Chi	Li o Ting
68	2024/11/07	Implementation of Darfon APQP management system	4	Manager, Chiu Pei-Chi	Li o Ting
69	2024/11/13	Implementation of Darfon APQP management system	2	Manager, Chiu Pei-Chi	Li o Ting
70	2024/12/12	Implementation of Darfon APQP management system	4	Manager, Chiu Pei-Chi	Li o Ting
71	2024/10/22	Implementation of Darfon APQP management system	1	Manager, Chiu Pei-Chi	Chen o Ju
72	2024/10/29	Implementation of Darfon APQP management system	4	Manager, Chiu Pei-Chi	Chen o Ju
73	2024/11/07	Implementation of Darfon APQP management system	4	Manager, Chiu Pei-Chi	Chen o Ju
74	2024/11/13	Implementation of Darfon APQP management system	2	Manager, Chiu Pei-Chi	Chen o Ju
75	2024/12/12	Implementation of Darfon APQP management system	4	Manager, Chiu Pei-Chi	Chen o Ju

Item	Date	Course content	Course time	Course unit/Professor	Participants
76	2024/5/24	ZEISS Quality Suite Training	6.5	Road Ahead Technologies Consultant	Wu o Yen
77	2024/5/28	ZEISS Reverse Engineering Course	6.5	Road Ahead Technologies Consultant	Wu o Yen
78	2024/7/25	Design X Training	6.5	Road Ahead Technologies Consultant	Wu o Yen
79	2024/7/26	Design X Training	6.5	Road Ahead Technologies Consultant	Wu o Yen
80	2024/7/18	IATF16949 and 6 major tool training	7	Brain Source Limited	Wu o Yen
81	2024/7/19	IATF16949 and 6 major tool training	7	Brain Source Limited	Wu o Yen
82	2024/7/20	IATF16949 and 6 major tool training	7	Brain Source Limited	Wu o Yen
83	2024/9/15	IATF16949 and 6 major tool training	7	Brain Source Limited	Wu o Yen
84	2024/9/16	IATF16949 and 6 major tool training	7	Brain Source Limited	Wu o Yen
85	2024/9/17	IATF16949 and 6 major tool training	7	Brain Source Limited	Wu o Yen
86	2024/9/22	IATF16949 and 6 major tool training	7	Brain Source Limited	Wu o Yen
87	2024/9/23	IATF16949 and 6 major tool training	7	Brain Source Limited	Wu o Yen
88	2024/9/24	IATF16949 and 6 major tool training	7	Brain Source Limited	Wu o Yen
89	2024/3/25	ESG Sustainability Report Training	3	Aheadmaster	Wu o Yen
90	2024/8/8	ESG Sustainability Report Training	3	Aheadmaster	Wu o Yen
91	2024/8/12	ESG Sustainability Report Training	3	Aheadmaster	Wu o Yen
92	2024/9/12	ESG Sustainability Report Training	3	Aheadmaster	Wu o Yen
93	2024/9/30	ESG Sustainability Report Training	3	Aheadmaster	Wu o Yen
94	2024/9/4	Ball Bearing Design and Fan Materials Introduction Education Training	1.5	NSK	Wu o Yen
95	2024/10/22	Darfon System Implementation Education Training	2	Darfon	Wu o Yen
96	2024/10/29	Darfon System Implementation Education Training	2	Darfon	Wu o Yen

Item	Date	Course content	Course time	Course unit/Professor	Participants
97	2024/11/20	ZEISS Inspect Optical 3D Basic Testing Course	6.5	Road Ahead Technologies Consultant	Hsu o Ta
98	2024/11/21	ZEISS Inspect Optical 3D Basic Testing Course	6.5	Road Ahead Technologies Consultant	Hsu o Ta
99	2024/08/27-2024/09/18	Safety and health education training course for Class B managers in labor safety and health management	35	Chuang Yu-Chung, Wang Hsi-Nien, Su Chien-Ming	Wen o Lung
100	2024/11/20-2024/11/21	ZEISS Inspect Optical 3D Basic Testing Course	11	Wang Ting'en	Wen o Lung
101	2024/5/8	NX Basic Courses	8	Otsuka Training Center	Lu o Yuan
102	2024/5/9	NX Basic Courses	8	Otsuka Training Center	Lu o Yuan
103	2024/5/10	NX Basic Courses	8	Otsuka Training Center	Lu o Yuan
104	2024/5/11	NX Basic Courses	8	Otsuka Training Center	Lu o Yuan
105	2024/6/13	NX CAD Advanced Courses	8	Otsuka Training Center	Lu o Yuan
106	2024/6/20	NX CAD Advanced Courses	8	Otsuka Training Center	Lu o Yuan
107	2024/04/08~2024/04/12	Microsoft 365 Administrator Certification Class	35	UCOM IT	Wu o Teng
108	2024/08/29~2024/08/30	ISO/IEC 22301:2019 Auditor Transfer Education and Training Course	16	Acer Cyber Security Inc.	Lin o Fu
109	2024/09/02~2024/09/06	ISO/IEC 27001: 2022 Lead Auditor Course – Information Security Management System – Lead Auditor Course	40	Al Network Training Ltd.	Wu o Teng
110	2024/12/02~2024/12/09	E-Course (Online video courses) – Information security awareness, essential knowledge and responsibilities	2	Taiwan Academy of Banking and Finance	Lin o Fu, Wu o Teng
111	2024/12/02~2024/12/09	E-Course (Online video courses) – Information Incident Description and Preventive Measures	2.5	Taiwan Academy of Banking and Finance	Lin o Fu, Wu o Teng

Item	Date	Course content	Course time	Course unit/Professor	Participants
112	2024/12/02~2024/12/09	E-Course (online video courses) – Cyber security control guidelines for TWSE and TPEx listed companies	1.5	Taiwan Academy of Banking and Finance	Lin o Fu, Wu o Teng
113	2024/7/18	IATF16949 and 6 major tool training	7	Brain Source Limited	Chang o Chi
114	2024/7/19	IATF16949 and 6 major tool training	7	Brain Source Limited	Chang o Chi
115	2024/7/20	IATF16949 and 6 major tool training	7	Brain Source Limited	Chang o Chi
116	2024/9/15	IATF16949 and 6 major tool training	7	Brain Source Limited	Chang o Chi
117	2024/9/16	IATF16949 and 6 major tool training	7	Brain Source Limited	Chang o Chi
118	2024/9/17	IATF16949 and 6 major tool training	7	Brain Source Limited	Chang o Chi
119	2024/9/22	IATF16949 and 6 major tool training	7	Brain Source Limited	Chang o Chi
120	2024/9/23	IATF16949 and 6 major tool training	7	Brain Source Limited	Chang o Chi
121	2024/9/24	IATF16949 and 6 major tool training	7	Brain Source Limited	Chang o Chi
122	2024/9/4	Material introduction	2	Kingfa Technology Co., Ltd.	Chang o Chi
123	2024/9/4	Ball Bearing Design and Fan Materials Introduction Education Training	1.5	NSK	Chang o Chi
124	2024/10/22	Darfon System Implementation Education Training	2	Darfon	Chang o Chi
125	2024/10/29	Darfon System Implementation Education Training	2	Darfon	Chang o Chi

3. The Company's retirement policy and execution

The employees of the affiliates in Taiwan will be subject to the retirement policies in the work rules, the Labor Pension Act and relevant regulations when processing their retirement benefits. Currently the new pension system applies. The Company pays 6% of the employee's total monthly wage into the employee's personal pension account every month. As of December 31, 2024, there are 68 employees enrolled in the new system. There are six employees who allocate their monthly wages based on the voluntary allocation rate into their personal pension account at the Labor Insurance Bureau. No employee applied for retirement in 2024.

The Company's main operating base is located in Dongguan City, Guangdong Province, and Ji'an City, Jiangxi Province China. Insurance premiums for each employee are appropriated on a monthly basis and paid to local social insurance bureau. After the employee reaches the statutory retirement age, he/she can apply for a pension from the Social Insurance Bureau.

1. Retirement eligibility:

(1) Employees who meet one of the following circumstances may apply for retirement:

(a) Workers who attain the age of 55 and have worked for more than 15 years.
(b) Workers who have worked for more than 25 years.
(c) Workers who attain the age of 60 and have worked for more than 10 years.

(2) The Company may force the retirement of any employee who has any of the following situations:

(a) Workers who attain the age of sixty-five. The age for any position that is dangerous or requires strong physical condition may be adjusted after the Company reports to the central competent authority but shall not be less than 55 years old.
(b) A worker who is unable to perform his/ her duties due to disability.

2. Criteria of new pension payment system

(1) Any employee reaching age 60 or the statutory age may immediately apply with the Labor Insurance Bureau for the payment of pension.
(2) The new pension system will pay 6% of the employee's total monthly wage into the employee's personal pension account every month according to the schedule of wage levels approved by the central competent authority.

4. Agreement between labor and management and various employee benefit maintenance measures

According to Article 83 of the Labor Standards Act: The Company has established the labor and management meeting on March 29, 2018, such that for "coordinating labor-management relations, promoting labor-management cooperation, and improving work efficiency, business units should hold labor-management meetings." The labor-management agreement related requirements shall be handled in accordance with the law and regulations. We held four labor-management meeting in 2024 (on 1/22/2024, 4/29/2024, 7/22/2024, and 10/28/2024) to discuss about and voted on various labor issues. In addition, the Company always care about employees' interests, and adopts proactive attitude to communicate with the employees, implements human centered management to strengthen labor-management relationship and centripetal force Apart from setting up an appeal channel and a work team, employees can reflect their opinions at any time by e-mail or suggestion box. The labor and management communication channel is smooth and its implementation is in good condition.

5. Employee working environment and personal safety protection measures:

The company's Taiwan subsidiary office is used by offices and R&D units.

Item	Contents
Access Control Security Management	1. The office building has a 24-hour security and surveillance system.
	2. Personnel access control requires an access card.
Equipment maintenance and inspection	1. Inspection and maintenance electrical equipment, air conditioning equipment and firefighting equipment.
	2. According to the provisions of the Fire Protection Law, the qualified Fire Company is entrusted with the maintenance declaration of fire safety equipment every year.
	3. Regular inspections are carried out in accordance with the safety inspection rules for dangerous machinery and equipment of Labor Safety Law.
	4. Maintain drinking water equipment regularly to ensure safe drinking water.
Disaster prevention measures and response actions	1. Twice a year (around June/November), drills on disaster avoidance, evacuation, and the use of fire extinguishers are taking place with the help of the factory building management committee in accordance with building and fire regulations to minimize injuries and property damage.
	2. On a semi-annual basis, in accordance with the latest Fire Protection Plan which has been developed and submitted for review, promote knowledge on various disaster prevention and control, and organize fire-fighting drills, notification, and evacuation guidance teams in order for the personnel to familiarize themselves with the identification of fire risk and specific disaster mitigation
	3. Site fire protection managers are selected, who should be retrained every three years (one person by the end of March 2024); occupational safety and health supervisors are selected, who should receive 6 hours of on-the-job training every two years (two persons by the August to October 2024) to implement self-regulation respond to change, and ensure the safety and health of employees at the workplace.

Dongguan, Jiangxi Production Base

Protective measures and implementation for work environment and personal safety of employees	
Item	Specific implementation situation
Occupational Hazard	1. Occupational hazard
	1.1 Each year, the company entrusts professional third parties regularly to test the “Factors on Occupational Hazards in the Workplace” and issue test reports.
	1.2 Develop occupational disease emergency plans and conduct pre-planning exercises regularly to reduce hazards in the workplace.
Self-inspection of Safety Production	2. Self-inspection of safety production: The self-inspection of the unsafe factors that may be generated by employees in the face of different working environments, processes and operations, and the detection and improvement of potential hazards and effective control.
	2.1 Equipment operation: SOP is established for all equipment operation according to the process. The staff can operate according to the SOP after passing the training and issuing the work permits.
	2.2 Machine maintenance: The machine operator needs to maintain the machine daily, and the production department needs to maintain the machine regularly.
	2.3 Job training: Educate and train the employees in the workshop and special positions according to the annual training plan.

Protective measures and implementation for work environment and personal safety of employees	
	2.4 Precautions: Devices are equipped with protective measures to reduce the chance of occupational injuries.
	2.5 False alarm incident: Improve the site where the environment may cause injury or harm.
Working Environment	3. Working Environment
	3.1 Fire safety: According to the fire laws and regulations, the factory entrusts a third party to carry out fire inspection each year and pass fire inspection.
	3.2 Fire equipment inspection: The security guards should check all firefighting equipment every month and repaired or replaced immediately if the equipment is out of date or out of order.
	3.3 Disaster prevention training: Conduct disaster response and firefighting drill every six months to ensure the safety of working environment.
	3.4 Environmental Testing: Waste water, waste gas and environmental noise are tested regularly every year.
Factory Safety	4. Factory Safety
	4.1 Security guards are stationed and patrolled in the factory 24 hours a day.
	4.2 There is a strict access monitoring system.

(II) In the last fiscal year and until the publication date of the annual report, loss caused by labor disputes (including violation of the Labor Standards Act found during labor inspection, where sanction date and number, violated laws and their content and sanction content shall be specified), and the estimated amount that could be incurred currently and in the future, as well as the response plan, shall be disclosed. In the event it cannot be reasonably estimated, the fact that causes the reasonable estimate to be unavailable shall be explained:

The Company practices labor policies in accordance with the law. Regarding the inconsistence in the recognition of labor rights and interests, it will be resolved according to consensus and statutory methods. There is no major dispute arising from labor relations. Therefore, there is no loss due to labor disputes.

VI. Information and communication security management

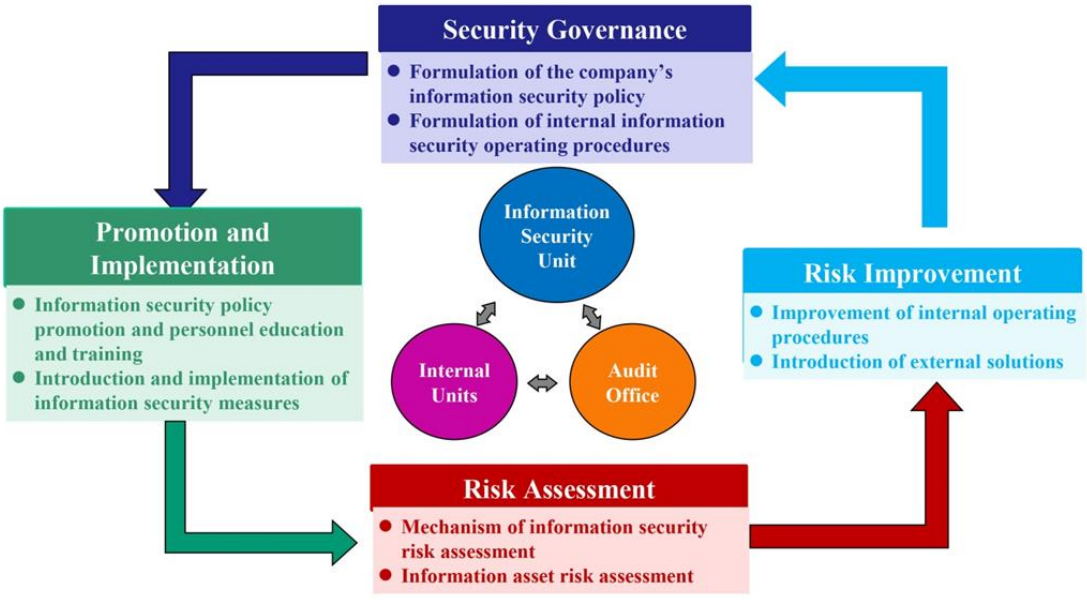
(I) Framework information and communication security management, information and communication security policies, specific management plans, and resourced inputted into information and communication security management:

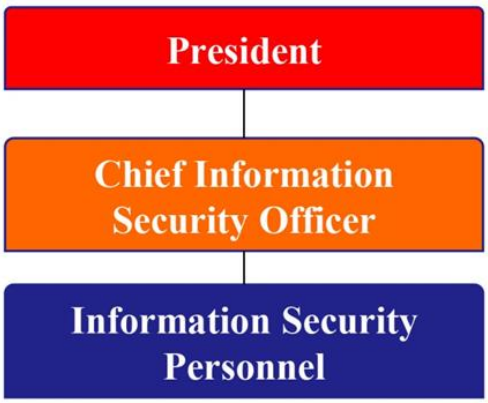
I. Information and Communication Security Organization Structure

The information security responsibility of the Company is under the jurisdiction of Information Security Unit, which has one chief information security officer and one information security personnel who are designated for formulating company's security policy, planning and executing information security related operations, and promoting and implementing information security policies; additionally, providing a periodic overall report on information security status to the president and the board of directors.

The company's Audit Office serves as supervisory for information security oversight. The department is led by an Audit Manager and dedicated auditing personnel who are responsible for overseeing the internal execution of information security. On the occasion that deficiencies are identified, the department requires the audited unit to submit improvement planning and concrete actions and conduct follow-up on the effectiveness of the implemented improvements to alleviate internal information security risk.

The department adopts PDCA (Plan-Do-Check-Act) cycle management as its organizational operation mode to ensure that reliability targets are met and continuously improved.





II. Information and Communication Security Policy

- **Purpose of information security:**

  To establish secure, reliable computerized work environment; to ensure the security of the Company's data, systems, equipment, and network, in order to protect the Company's continuous operations, customer rights and interests, and the sustainable operation of each unit's information system.

- **Scope of information security:**

  (1) Personnel management and information security education and training

  (2) Computer system security management

  (3) Network security management

  (4) System access control

  (5) System development and maintenance security management

  (6) Information asset security management

  (7) Physical and environmental security management

  (8) Information system sustainable operation plan management

  (9) Information security audit

III. Information and Communication Security Policy and Detailed Management Plan

In order to prevent various external security threats, Sun Max has built a variety of information security protection systems to enhance the security of the overall information environment. In addition, in order to ensure that the internal personnel's operations are in compliance with the company's system and regulations, it has designed operating procedures and introduced information security system tools to implement personnel information security management measures. The specific items implemented this year are as follows:

(I) The company reported on the 2024 information security policy execution status at the board of directors' meeting on November 6, 2024:

1. Visitor network: Add an independent visitor network – network connection, firewall and network equipment; clearly distinguish the office network and company asset equipment connections.
2. Data backup: Taipei – Update the NAS equipment; Power Logic (JiangXi TAI YI). CO., LTD. – Purchase additional NAS equipment to strengthen the overall data backup space and performance.
3. File security: Introduce file encryption software to encrypt and record file flow and control, and prevent unauthorized access and leakage of file assets.
4. Information security external training: Information security specialist external training courses – Acquisition of ISO27001 international information security certification
5. Information security awareness: Regular information security promotion for employees.
6. Risk monitoring: The Company compiles and reports the information security records and information security risks on a monthly basis.
7. Vulnerability scan: The vulnerability scan is conducted for the server host to make patches and reduce the risk.
8. Firewalls, host updates, attack blocks, link loads and backup status, etc.

(II) Description of 2024 information security education training:

2024 information security education training courses				
No.	Date	Course Name	Class Hours	Number of participants
1	January 1, 2024	Information security advocacy _ BEC commercial email deepfake frauds	Email advocacy	All the company's employees (60 persons)
2	February 6, 2024	Information security advocacy _ Cybersecurity attacks on TWSE and TPEx listed companies – Administration for Cyber Security: Suspicious phishing link	Email advocacy	All the company's employees (60 persons)
3	March 5, 2024	There are up to 770,000 cases per month in Taiwan. In 2023, the cumulative amount of fraud reached NTD 8.878 billion.	Email advocacy	All the company's employees (60 persons)
4	April 2, 2024	Cybersecurity advocacy: The U.S. lost US$12.5 billion in 2023 due to cyber crime_email security	Email advocacy	All the company's employees (60 persons)
5	August 20, 2024	ISO 22301:2019 BCM LAC conversion course	16	1 (Information security officer)
6	September 2, 2024	ISO 27001:2022 Information Security Management System – Lead Auditor Course	40	1 (Information Security Personnel)
7	December 9, 2024	Video Course for 2024 Cybersecurity for Information Security Personnel of TWSE/TPEx Listed Companies	6	2 persons (dedicated to information security)

(III) Losses caused by major information and communication security events in the most recent year and on the day of annual report printing may affect the coping measures. In the event a reasonable estimation fails to be made, explain the facts for failure to make a reasonable estimation:

No such circumstances occurred in 2024 and as of the date of annual report printing.

VII. Important Contracts

(I) Credit and Guarantee Contracts

No	Contract Party	Contract Counterpart	Contract Date/ Contract Period	Term of Agreement	Limitation Article
1.	DONG GUAN DONG LI DIAN ZI CO. LTD	Chinatrust Commercial Bank	December 5, 2024 to November 30, 2025	1. The credit line provided by China Trust Bank is RMB 8 million. 2. A foreign issuer acts as a joint guarantor.	None
2.	Taiyi (Jiangxi) Electronic Technology Co., Ltd.	Chinatrust Commercial Bank	December 5, 2024 to November 30, 2025	1. The credit line provided by China Trust Bank is RMB 50 million. 2. A foreign issuer acts as a joint guarantor.	None
3.	British Virgin Islands Business Mobility Technology Taiwan Branch	Chinatrust Commercial Bank	November 13, 2023 to November 30, 2025	1. The credit line provided by China Trust Bank is NT$ 40 million. 2. A foreign issuer acts as a joint guarantor.	None
4.	British Virgin Islands Business Mobility Technology Taiwan Branch	Taishin International Bank Co., Ltd.	January 14, 2025 to January 31, 2026	1. The credit line provided by Taishin Bank is US$5 million. 2. A foreign issuer acts as a joint guarantor.	None
5.	POWER LOGIC TECH. INC	Taishin International Bank Co., Ltd.	January 14, 2025 to January 31, 2026	1. Secured short-term borrowing, NT$121,000,000, from Taishin International Bank. 2. Collateralized properties: A_3F-5, No. 16, Jian 8th Rd., Zhonghe Dist., New Taipei City; B1, No. 162, Jian 1st Rd., Zhonghe Dist., New Taipei City and 1 plane parking space thereunder. B_6F-2, No. 16, Jian 8th Rd., Zhonghe Dist., New Taipei City; B1, No. 162, Jian 1st Rd., Zhonghe Dist., New Taipei City and 1 plane parking space thereunder.	None
6.	POWER LOGIC TECH. INC	Taishin International Bank Co., Ltd.	June 14, 2022 to June 21, 2027	1. Secured interim borrowing, NT$220,000,000, from Taishin International Bank. 2. Collateralized properties: 9F, 9F-1, 9F-2, 9F-3, No. 166, Jian 1st Rd., Jhonghe District, New Taipei City; B1, No. 162, Jian 1st Rd. and 16 ramp/plane parking spaces.	None
7.	POWER LOGIC TECH. INC	Taishin International Bank Co., Ltd.	November 7, 2024 to November 18, 2029	1. Secured interim borrowing, NT$220,000,000, from Taishin International Bank. 2. Collateralized properties: 15F1~3, 15F, No. 166, Jian 1st Rd., Zhonghe Dist., New Taipei City; B1, No. 162, Jian 1st Rd., Zhonghe Dist., New Taipei City and 4 plane parking space thereunder.	None

(II) Sales Contract

No.	Contract Party	Contract Counterpart	Contract Date/ Contract Period	Term of Agreement	Limitation Article
1.	DONG GUAN DONG LI DIAN ZI CO. LTD	Auras Electronic Science and Technology Industrial (Kunshan) Co., Ltd.	Effective from January 22, 2016	AURAST Technology (Kunshan) Co., Ltd purchases various products from Dongguan Power Holding CO., Ltd; Dongguan Power Holding CO., Ltd is required to undertake the production or delivery of various products to AURAST Technology (Kunshan) Co., Ltd according to the orders.	None
2.	Samoa Power Holdings Limited	Auras Electronic Science and Technology Industrial (Kunshan) Co., Ltd.	Effective from January 13, 2016	AURAST Technology (Kunshan) Co., Ltd purchases various products from Dongguan Power Holding CO., Ltd; Dongguan Power Holding CO., Ltd is required to undertake the production or delivery of various products to AURAST Technology (Kunshan) Co., Ltd according to the orders.	None

(III) Lease Contract

No.	Contract Party	Contract Counterpart	Contract Date/ Contract Period	Term of Agreement	Limitation Article
1.	DONG GUAN DONG LI DIAN ZI CO. LTD	Zheng Lihong	From January 1, 2024 to December 31, 2026	Leasing factory building/dormitory, approximately RMB 2,909,426.76 per year	None
2.	Taiyi (Jiangxi) Electronic Technology Co., Ltd.	Zheng Lihong	From January 1, 2024 to December 31, 2026	Leasing factory building, approximately RMB 533,268.36 per year	None

(IV) Other Contracts

No.	Contract Party	Contract Counterpart	Contract Date/ Contract Period	Term of Agreement	Limitation Article
1.	British Virgin Islands Business Mobility Technology Taiwan Branch	BU IC Electronics Co.	January 1, 2016 to December 31, 2016 Neither party is not before the expiry of two months written notice to the other party not to renew, the automatic extension of about one year, thereafter likewise.	BU IC Electronics Co. provides marketing, after-sales services and supports for Thermal products in South Korea.	None
2.	Taiyi (Jiangxi) Electronic Technology Co., Ltd.	People's Government of Anfu County, Jiangxi Province	Signed and effectuated on July 18, 2019.	Investment agreement, where the government is responsible for realizing business-attraction programs, investment in infrastructures and assistance programs, and the company performs agreed investment and sales amount.	None
3.	Taiyi (Jiangxi) Electronic Technology Co., Ltd.	Anfu County Industrial Construction Investment Development Co., Ltd.	Signed and effectuated on July 18, 2019.	Transfer Agreement for Real Estate. Purchase of factory building 1, factory building 2 and dormitory building 3 (total price: RMB 86,780,000). The total floor area is 36,088.31 square meters (land price RMB 4,492,790). The term began from January 8, 2018 and ends on January 7, 2068.	None

V. Review of financial status, business performance, and risk management

I. Comparative analysis of financial condition:

Unit: NTD thousands

Item \ Year	2024	2023	Variation	
			Amount	%
Current assets	1,445,252	1,440,052	5,200	0.36
Property, plant, and equipment	1,428,370	1,092,586	335,784	30.73
Right-of-use assets.	52,904	25,022	27,882	111.43
Intangible assets	9,015	8,434	581	6.89
Other assets	60,588	57,861	2,727	4.71
Total assets	2,996,129	2,623,955	372,174	14.18
Current liabilities	519,822	533,811	(13,989)	(2.62)
Non-current liabilities	541,198	331,611	209,587	63.20
Total liabilities	1,061,020	865,422	195,598	22.60
Share Capital	377,223	356,403	20,820	5.84
Capital surplus	895,605	826,927	68,678	8.31
Retained earnings	639,946	622,870	17,076	2.74
Other equity	14,519	(56,738)	71,257	125.59
Non-controlling interest	7,816	9,071	(1,255)	(13.84)
Total shareholders' equity	1,935,109	1,758,533	176,576	10.04

Description of major changes:
(The amount changes by more than 10%, and the amount reaches 1% of the total assets of the year, that is, NT$ 29,961 thousand yuan)

1. Increase in real estate, factory and equipment: Purchase of office for the Taipei factory.
2. Increase in total assets: The total assets increased due to increase in property, plant and equipment.
3. Increase in non-current liabilities: Long-term mortgage for the purchase of office for the Taipei factory.
4. Decrease in total liabilities: The new mortgage loans increased non-current liabilities, resulting in an increase in total liabilities.
5. Increase in other equities: The appreciation of the Renminbi resulted in an increase in exchange differences arising from the translation of the financial statements of foreign operations by the investment in Mainland China subsidiaries.

Source: consolidated audited financial statements

II. Comparison and analysis of financial performance:

1. Financial performance analysis

Unit: NTD thousands

Item \ Year	2024	2023	Variation	
			Amount	%
Operating revenue	1,262,815	1,382,210	(119,395)	(8.64)
Operating cost	928,378	991,237	(62,859)	(6.34)
Gross profit	334,437	390,973	(56,536)	(14.46)
Operating expenses	274,997	268,642	6,355	2.37
Operating gains and losses	59,440	122,331	(62,891)	(51.41)
Non-operating expenses	95,675	53,930	41,745	77.41
Profit before income tax	155,115	176,261	(21,146)	(12.00)
Income tax expense	36,831	57,950	(21,119)	(36.44)
Net profit of current period	118,284	118,311	(27)	(0.02)
Current period other comprehensive income	71,257	(23,219)	94,476	(406.89)
Current period other comprehensive income (Gross)	189,541	95,092	94,449	99.32

Description of major changes:
(The change ratio before and after the period is more than 20%, and the amount of change exceeds NT$10 million)

1. Decrease in operating income: The decrease in revenue was due to a decrease in gross profit and a small difference in operating expenses; hence, the operating income is decreased.
2. Increase in non-operating expenses: The increase in subsidies from Jiangxi government and the exchange gain from the appreciation of USD.
3. Decrease in income tax expense: The decrease in income tax expense was due to a decrease in profit before income tax for the period.
4. Increase in other comprehensive income for the period: The appreciation of the Renminbi resulted in an increase in exchange differences arising from the translation of the financial statements of foreign operations by the investment in Mainland China subsidiaries.
5. Total comprehensive income for the period: The increase in other comprehensive income causes an increase in comprehensive income for the period.

Source: consolidated audited financial statements

2. Expected sales volume and the related reference

The Company's expected sales volume is based on the market forecast of major customers, the sales status of past products, the expected growth rate of products, the development of new customers and the business growth of existing customers, while taking into account the material conditions of major raw materials and the capacity of suppliers. Set the shipping target by factors such as delivery time.

3. Possible impact on the company's future financial business and its response plan

The company has a stable growing operation and a stable source of customers, will steadily increase capital expenditure to bring new business opportunities for the company. Also, the company will continue to deepen and operational management reasonable cost control of each subsidiary to promote the company's business growth and improve profitability; No significant potential impact on the company's future financial business.

III. Cash flow analysis:

1. Cash flow analysis in the most recent year (2024)

Unit: NT$ thousand; %

Year / Item	2024	2023	Variation	
			Amount	%
Operating activities	286,256	112,181	174,075	155.17
Investing activities	(333,321)	(43,127)	(290,194)	672.88
Financing activities	128,234	(345,818)	474,052	(137.08)

Change analysis:

(1) Increase in cash inflow from operating activities: Although the revenue and profit decreased in the current year, the increase in cash revenue in the current period due to the difference in the number of days for collection of account receivables resulted in the increase in cash inflow from operating activities.

(2) Increase in cash outflow from investment activities: The increase in capital expenditure for purchasing the Taipei Office leads to an increase in cash outflow from investment activities in the current period.

(3) Increase in cash provided by financing activities: The cash outflow from the redemption of the second convertible corporate bonds in the previous year and the increase in cash inflow from the long-term loan for the purchase of Taipei Office this year result in a shift from cash outflows to inflows in financing activities.

Source: consolidated audited financial statements

2. Plans to improve liquidity: None.

3. Liquidity analysis for the next year (2025)

Beginning of year cash balance (1)	Net cash flow from operating activities for the year (2)	Annual cash outflow (3)	Cash surplus (deficit) (1)+(2)-(3)	Financing of cash deficits	
				Investment	Wealth management
748,046	171,213	367,178	552,081	-	-

1. Analysis of anticipated cash flow changes in 2025:
   (1) Estimated cash inflow from business activities: NT$ 171,213 thousand.
   (2) The estimated cash outflow from investment activities is NT$192,448 thousand, which is primarily attributable to the acquisition of production and R&D equipment.
   (3) A cash out flow of NT$174,730 thousand under financing activities was mainly due to the distribution of cash dividends in 2024 and the redemption of convertible corporate bonds.
2. Responsive measures and liquidity analysis on cash flow deficits: None.

IV. Material capital expenditures in the latest year and impacts on business performance

Unit: NTD thousand

Plans	Actual and expected funding source	Actual and expected completion date	Total funds required	Actual or expected uses of funds
				2024
Purchase of property, plant and buildings	Proprietary funds and bank loans	November 2024	NTD 300,400	NTD 300,400

V. The major causes for profits or losses incurred by investments during the most recent year; rectifications and investment plans for the next year

1. The Company's investment policy

The Company’s current reinvestment policy focuses on investment relating to fundamental business and does not involve in any reinvestment unrelated to fundamental business, where the relevant units are bound by Rules Governing Acquisition and Disposal of Assets and Rules Governing Oversight and Management of Subsidiaries stipulated by the Company, and in accordance with the investment cycle policy under the internal control system. Each subsidiary shall comply with the Company’s rules and shall conduct proper internal control considering local laws and actual operation.

2. The main reasons for the profit or loss of investment in the most recent year (2024):Unit: NTD thousand

Transfer investment	Investment gains and losses	Remark
United Strategy Inc.	84,210	Good operating condition
POWER LOGIC HOLDINGS INC.	6,265	Good operating condition
Sunny Sharp International Ltd.	45,434	Good operating condition
POWER LOGIC TECH. INC	13,013	Good operating condition
DONG GUAN DONG LI DIAN ZI CO. LTD	19,367	Good operating condition
POWER LOGIC TECH (TAI YI) CO., LTD.	3,736	The dissolution, liquidation and cancellation of company registration were completed on June 26, 2024.
Taiyi (Jiangxi) Electronic Technology Co., Ltd.	62,381	Good operating condition
CICHENG TECHNOLOGY CO., LTD.	(5,021)	The volume of orders received was not enough to harmonize the production capacity, so there was still a loss. In the future, we will continue to explore the market to increase revenue.

VI. Risk management and assessment:

(I) Risk factor

1. Impacts of interest rates, exchange rates, and inflation to The Company’s earnings, and the responsive measures

(1) Interest rate changes and response measures

The interest income of the Company for the year of 2023 and 2024 was NT$ 18,111 thousand and NT$ 19,122 thousand, respectively, accounting for 1.31% and 1.51% of the combined net operating income for the year, respectively, and the interest expenses for 2023 and 2024 were NT$ 12,245 thousand and NT$ 9,252 thousand, respectively, accounting for 0.89% and 0.73% of the combined net operating income for the year, had little impact on the company's revenue and profit. The Company's future response measures: The Company will pay attention to the changes in the financial interest rate at any time, and adjust the use of funds in a timely manner to meet the financial risks that may arise from changes in interest rates. In the future, the company's capital planning is still based on sound principles, and the first allocation of funds is safely managed. Considering the future development of the company, different funding sources and costs will be adopted in addition to maintaining good relations with banks, and different financing methods will be chosen for future growth.

(2) Exchange rate changes and response measures

The company primarily collects payments in New Taiwan dollars, US dollars, and renminbi and purchases materials in New Taiwan dollars, US dollars and renminbi. The natural risk-hedging effect is produced by offsetting receipts and payments in the same currency to reduce exchange demand. The net exchange loss in 2023 is NT$5,560 thousand and the net exchange gain in 2024 is NT$25,795 thousand, representing 0.40% and 2.04% of the consolidated net operating income, respectively. This is primarily due to the fluctuating value of the US dollar and is intended to mitigate the impact of exchange rate fluctuations on the company’s profit and loss. The specific measures of the company in response to exchange rate changes are as follows:

A. Financial staff should collect real-time currency information at any time, make judgments based on the trend of future exchange rates, maintain adequate foreign exchange reserves and provide a business as a reference basis for quotation.

B. Adjust the foreign currency deposit position according to the exchange rate change situation. Considering the pre-purchase or pre-sale forward foreign exchange contract for the purpose of hedging and the method of borrowing foreign debt to reduce the exchange rate risk if necessary.

C. Adopt the method of automatic hedging of foreign exchange receipts and payments to reduce the foreign currency net assets by offsetting the foreign currency receipts and payments generated by foreign sales and foreign purchases.

D. According to Article 36-1 of the Securities and Exchange Act, the “Procedures for Financial Derivatives Transactions” is established as the basis for engaging in derivative commodity transactions, so that the foreign exchange losses of daily operations are limited to a controllable range.

(3) Inflation response measures

The Company has considered the risk of inflation in the planning of the annual operating plan. The past profit and loss of the Company has not been significantly affected by inflation. If the purchase cost increases due to inflation, the Company will also keep abreast of the price of upstream goods. Changes are timely reflected in costs and quotations to reduce the profit and loss impact on the company due to cost changes.

2. Policies on high risk and highly leveraged investments, loans to others, endorsements / guarantees, and the trading of derivative instruments; describe the main causes of profit or loss and responsive measures in the future

   (1) Based on prudent principles and pragmatic business philosophy, the company has not engaged in high-risk and highly leveraged investment except in the fields of the company's business.

   (2) The Company has set has "Regulations Governing of loans to other", "Regulations Governing of Endorsements/Guarantees", "acquisition or disposal of asset disposal program," "derivative commodity transaction processing" and other measures. The company will comply with the above procedures, so the relevant risks should be limited.

3. R&D plan in the future and projected investment

R&D expenses for 2023 and 2024 were NT$68,551 thousand and NT$88,143 thousand, respectively, or 4.96% and 6.98% of total revenue. R&D expense is budgeted according to the product roadmap. We have planned a R&D budget of NT$122,540 thousand for 2025 to cater various development projects.

R&D projects	2025 R&D budget by project item
Cooling fans for graphic cards, NB and gaming	Approximately NT$122,540 thousand
Telecom/AI, servers	
Vehicle fans	

In response to the needs of multiple research and development projects (graphics card cooling fans, NB cooling fans, LED gaming cooling fans, smart and power-saving appliance, telecom/5G servers, vehicle fans, and AI fan promotion), in addition to laboratories expansion, purchase of relevant testing equipment, increasing professional research and development ability, cultivating research and development talents, and close cooperation with buyers, the Company also uses our technology in designing innovative products and developing new manufacturing techniques to improve the Company’s competitiveness and expand non-computer, smart fan and server applications. It develops new market applications and increases the overall profits.

4. The effect of major changes in policies and legal practices, whether domestic or foreign, to the company’s financial and business performance, and the responsive actions:

The company is registered in the Cayman Islands and the main place of operation is Mainland China. The implementation of the company's various businesses is handled in accordance with important domestic and international policies and laws, and it is important to pay attention to important policies and legal changes in the countries and regions. Information, and prepare for prevention through various pipelines. If there are any changes, consult with lawyers, accountants and other relevant units, or appoint them to evaluate and plan the corresponding measures, and timely respond to market changes and take appropriate measures. The Company has not had significant influence on the financial operations of the Company due to significant policy and legal changes in the Cayman Islands and the major operating countries.

5. Effects of technological (including cyber security risks) and industrial changes to the company's financial and business performance, and the responsive actions The Company keeps abreast of the changes in technology and product demand in the industry, keeps abreast of the latest market information, and assesses its impact on the company's operations. The evaluation and research and development of various products have met the market demand, and the latest annual and annual reports are printed. At the end of the day, the company has no major technological changes or industrial changes, which has caused significant impact on the company's financial business.

   To implement information security management, the Company stipulates Rules Governing Information Security Management and relevant operational procedures, which shall be the basis of implementing information work plans. The Company strictly restricts the use and safety maintenance of information, establishes firewalls, encryption systems and personal information storage to restrict and audit access and records to reduce risks to information security.

6. Impacts of changes in corporate image to the company's crisis management, and the responsive measures

   Since the establishment of the company, the company has a good corporate image, complies with relevant laws and regulations, actively researches and develops new products and obtained patent certification, while maintaining harmonious labor and local relations, in order to maintain a good corporate image, so this crisis has not happened yet.

7. The expected benefits from mergers and acquisitions, the potential risks associated, and the responsive measures

   The Company has no plan for merger and acquisition with any other company in the prospectus was printed, and will take caution in evaluation of any possible merger and acquisition in the future with overall assessment on the synergy after the merger to ensure the rights of the shareholders.

8. The expected result, possible risk of capacity expansion, and the response

   In November 2024, the Company purchased the office for the Taipei factory. Considering the future growth and development of the Group, the existing office area, laboratory, and warehouse are dispersed across different buildings, and the individual floor spaces are small, making it difficult to meet the needs of development and operational management. In addition, to align with the future operational strategy, incorporate operational planning such as pilot run lines or test lines to meet the Company’s objectives.

   The main reason that the Company purchases the plants is to upgrade the production volume and quality, and allow customers to display relevant processes and equipment. In addition, the Company conducts pilot runs or relevant deployment planning and continues to be committed to improving quality and services, which will help reduce operating risks.

9. Risks of concentrated purchases or sales, and responsive measures to such risks

   (1) Risks of concentrated purchases, and responsive measures to such risks:

      The main customer of the company is Taiwan Computer Display Card System Factory. Due to customer's requirements for quality, the main raw materials such as PBT/PC plastic materials, rolling bearings, enameled wire, tin wire, tin bar, square wire, integrated circuit, etc. Raw materials such as silicon steel sheets, iron shells, magnetic strips, copper, electronic components, power cords, packaging

materials, shaft cores, etc., are used in a variety of ways to purchase goods from multiple manufacturers to increase bargaining space and reduce the risk of material shortage. Or according to changes in the product structure of the company's sales, there is no risk of concentration of purchases.

(2) Risks of concentrated sale, and responsive measures to such risks:

The revenue of the Company's largest sales customers in 2024 and 2023 was 19.79% and 17.30%, respectively, while the top ten customers accounted for 78.79% and 76.14% respectively, and the revenue of the first customer was In the case of a high proportion, the Company will strengthen the control of its credit limit. If the order quantity is greater than the credit limit granted and the sum of the receivables, the company will suspend the shipment and will also periodically check accounts receivable with customers, timely collection to avoid bad debt. In addition, in order to spread the risk of sales, the company will actively look for new customers and new business opportunities to spread the source of customers, such as the development of vehicles, network communication, industrial control, home appliances and other different product areas of customer orders. With the wave of AI technology ignited by Chat GPT, and emerging applications such as Vehicle-to-everything, Internet of Things, and Metaverse are on the rise, coupled with the fact that governments are actively promoting infrastructure such as smart cities, smart grids/charging piles and energy storage systems, etc., we will continue to explore a diverse range of markets and to develop the design and application of cooling fans for various industries. The company shall continue to actively expand the product market of high-end niche cooling fans, which is expected to achieve gradual growth and disperse the risk of sales concentration.

10. The risks and impacts of significant shareholding transfers by directors, supervisors, or major shareholders with more than 10% ownership interest, and the responsive measures to such risks

In the most recent year and the end of the annual report, the directors of the Company and the majority shareholder holding 10% of the shares did not have a significant transfer of equity.

11. The influence and risk from the change hands of the management, and the response

The company has not changed its management rights in the most recent year and up to the date of publication of the annual report. The Company has strengthened various corporate governance measures and established the Nomination Committee in January 2025. Directors shall be appointed by nomination. The Audit Committee shall be made up of four independent directors in order to strengthen the protection of shareholders' rights and interests. In addition, the company's operations rely on the professional managers' sound operating performance, which should be supported by shareholders. Complete internal control systems and relevant management regulations have been set up. Changes in management rights, if any, shall not subject the company's operations to detrimental impacts.

12. List out the legal proceedings or non-contentious matters, or administrative actions, involving the Company, the Directors, Supervisors, President, the deputy agent, or dominant shareholders holding more than 10% of the shares issued by the Company and its subsidiaries, concluded with rulings or still pending, the result of which may cause significant influence on the shareholders equity or stock price of the Company. Disclose the factual account of the contention, the starting date of the proceedings, the parties concerned, and the action taken by the Company to the date this report was printed: None.

13. Other significant risks and responsive measures:

(1) Risk of rapid market changes

The Company pays attention to the change and development in technologies in the industry, as well as new products launched by international brands, to quickly grip the trend and propose a response plan. We also proactively expand the market applications by continuously developing new clients in different industries to reduce operational risks and by obtaining more orders from clients to reduce risks of industrial changes. Therefore, risks are diversified in the unstable economy and our income source is relatively stable. The Company has always operated conservatively and stably to effectively reduce the risks posed by economy changes.

(2) Risk of shareholder equity protection

The company's registered Cayman Islands law has many differences with the Republic of China. Although the company has not touched the laws of the Isle of Man, it is subject to the regulations of the Taiwan Stock Exchange Co., Ltd. The National Shareholders' Rights Protection Matters Checklist amends the company's articles of association. However, there are still many differences between the two local laws and regulations on the operation of the company. Investors cannot guarantee the investment in the legal rights of the Republic of China company, and apply it to the Cayman invested. In an archipelago company, investors should know and consult with experts to invest in whether the Cayman Islands company can obtain effective shareholder rights protection. Please refer to pages 192 to 199 of this annual report for the differences between the articles of association and the checklist of shareholders' rights and interests' protection.

(II) Other important notes:

Please refer to pages 170 to 182 of this annual report for an explanation of the significant differences between these shareholder protection regulations and those of the ROC.

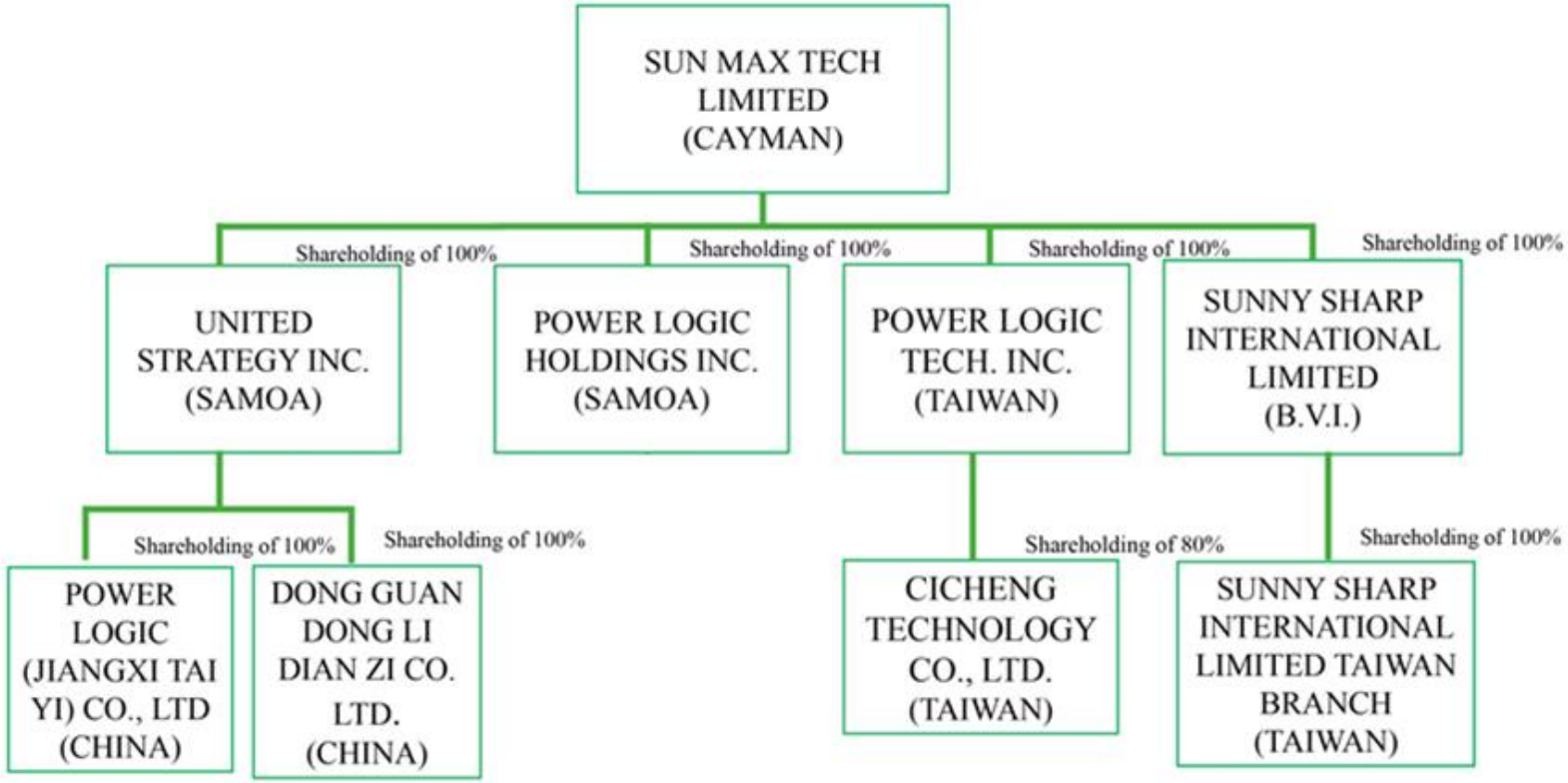
VI. Special remarks

I. Information regarding the affiliated enterprises

(I) Information regarding the affiliated enterprises

1. Organization chart for affiliates:

(1) Organization chart for affiliates:



Note: The cancellation registration of POWER LOGIC (YI QUAN) CO., LTD. was completed in June 2024.

(2) Presumption of Controlled and Subordinate Company in accordance with Article 369-3 of the Company Act: None

(3) Subsidiary companies that directly or indirectly control personnel, finance or business operations in accordance with the second paragraph of Article 369-2 of the Company Act: None

2. Basic information of affiliated enterprises:

December 31, 2024 Unit: NT$ thousand

Name of affiliated enterprises	Date of establishment	Address	Paid-in shares Capital	Major operations
United Stragegy INC.	2003/07/01	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	US$16,960	Investment holding
POWER LOGIC HOLDINGS INC.	2008/08/21	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	US$4,445	Investment holding
Power Logic Tech. Inc.	1998/04/04	9F, 9-1F, No. 166, Jian 1st Rd., Zhonghe Dist., New Taipei City	NT$219,200	Sales of electronic components
Sunny sharp International Limited	2015/11/11	Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, British Virgin Islands VG1110	US$1,550	Investment holding
DONG GUAN DONG LI DIAN ZI CO. LTD	2003/12/10	No. 13, Tianheng Road, Tianwei Village, Changping Town, Dongguan City, Guangdong Province, China	HK$21,000	Sales of electronic components
POWER LOGIC TECH (TAI YI) CO., LTD. (Note)	2014/07/31	Room 101, Building 1, No. 19, Tianheng Road, Tianwei Village, Changping Town, Dongguan City, Guangdong Province, China	RMB27,500	Production and sales of electronic components
Taiyi (Jiangxi) Electronic Technology Co., Ltd.	2019/06/26	Anfu Industrial Park, Jiangxi Province	RMB150,000	Production and sales of electronic components
CICHENG TECHNOLOGY CO., LTD.	2021/02/03	No. 9, Ln. 39, Sec. 2, Zhongshan Rd., Guanyin Dist., Taoyuan City	NT$50,000	Production and sales of electronic components

Note: The cancellation registration of POWER LOGIC (YI QUAN) CO., LTD. was completed in June 2024.

3. Information on the same group of shareholders presumed as under control and in subordinated relation: None
4. The industries housed in the same business location of the whole Affiliated Enterprises:
   The business of the Company and its related companies includes the molding, injection molding, painting and assembly of 3C products.

5. Information on directors, supervisors, and general managers of affiliated enterprises:

December 31, 2024

Name of affiliated enterprises	Title	Company name or representative	Status of shareholding	
			Number of Shares	Ratio of Shareholding
United Stragegy INC.	Director	HSU Wen-Faung	3,025,000	100%
POWER LOGIC HOLDINGS INC.	Director	HSU Wen-Faung	3,050,000	100%
Power Logic Tech. Inc.	Executive Director	HSU Wen-Faung	21,920,000	100%
Sunny sharp International Limited	Director	HSU Wen-Faung	490,000	100%
DONG GUAN DONG LI DIAN ZI CO. LTD	Executive Director Supervisor	HSU Wen-Faung LAI, Jen-Chung	Capital HK$21,000,000	100%
POWER LOGIC TECH (TAI YI) CO., LTD. (Note)	Executive Director Supervisor	HSU Wen-Faung LAI, Jen-Chung	Capital RMB27,500,000	100%
Taiyi (Jiangxi) Electronic Technology Co., Ltd.	Executive Director Supervisor	HSU Wen-Faung LAI, Jen-Chung	Capital RMB150,000,000	100%
CICHENG TECHNOLOGY CO., LTD.	Chairman Supervisor	Yen His-Fen Chang Chi-Jen	1,000,000 0	20% 0%

Note: The cancellation registration of POWER LOGIC (YI QUAN) CO., LTD. was completed in June 2024.

(III) Business Performance of Affiliated Enterprises:

Financial status and operating results of each related company: December 31, 2024

Unit: NTD thousands, except Earnings Per Share (NTD)

Name of affiliated enterprises	Capital	Total assets	Total liabilities	Net value	Operating revenue	Profit (loss) from operations	Current period profit (after tax)	Earnings per share (After tax)
United Stragegy INC.	90,705	1,470,377	73,127	1,397,250	0	(319)	84,209	Note 1
POWER LOGIC HOLDINGS INC.	91,543	202,715	0	202,715	0	(156)	6,265	Note 1
Power Logic Tech. Inc.	219,200	864,645	492,865	371,780	111,281	21,569	13,013	0.59
Sunny sharp International Limited	15,190	46,112	0	46,112	0	(171)	(80)	Note 1
DONG GUAN DONG LI DIAN ZI CO. LTD	88,456	168,064	29,794	138,270	194,822	(52,127)	(52,533)	Note 2
Taiyi (Jiangxi) Electronic Technology Co., Ltd.	688,394	1,390,187	362,849	1,027,338	1,343,707	154,307	120,540	Note 2
CICHENG TECHNOLOGY CO., LTD.	50,000	43,023	3,944	39,079	8,560	(8,263)	(6,277)	(1.26)
Note 1: It is not applicable to overseas companies. Note 2: It is a mainland limited company, not applicable.								

(IV) Consolidated financial statements of affiliated companies: Please visit the MOPS for the consolidated financial statements.
(V) Affiliation Report: None.

II. Private placement of securities during the latest year up till the publication date of this annual report: none.

III. Other supplementary information: None.

IV. Explanation of significant differences with the provisions of the shareholders' rights and interests of the Republic of China:

Due to the slight inconsistency between the British Cayman Islands Act and the Republic of China Act, the Taiwan Stock Exchange Co., Ltd. recently amended the "Registration Form for the Protection of Shareholders' Rights and Interests of Foreign Issuer Registration Countries" (hereinafter referred to as "Registration Form for the Protection of Shareholders' Rights and Interests") does not apply to the Company of course. The following list shows the differences between the Company's currently valid Articles of Association (the "Articles of Association") and the protection of shareholders' interests due to the provisions of the British Cayman Islands Act, and the Company. The provisions of the charter.

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
The Company repurchased its own shares for assignment to its employees with the restriction of no transfer within the specific period of time. Such period could not be longer than 2 years.	The contents of this requirement are stated in Article 40D of the Articles of Incorporation, read as "Unless Article 40E of the Articles of Incorporation and the laws governing the listing on the TWSE or TPEx provide otherwise, the treasury shall be disposed in accordance with the provisions and conditions determined by the Board. If the repurchase of treasury shares shall be subject to assignment to employees under applicable laws governing the listing on the TWSE or TPEx, the employees concerned shall promise not to transfer these shares within a stipulated period no longer than 2 years. (Note: The above is the extract in Chinese)"	According to Article 1 of the Articles of Incorporation, Treasury Shares as referred to shall be those shares issued in accordance with the Articles of Incorporation, the company law of the Cayman Islands, and applicable laws governing the listing on the TWSE but repurchased or redeemed, or repossessed through any other means by the Company without cancellation. As such, the requirement of this section is provided by Article 40D of the Articles of Incorporation. According to the lawyers of the Cayman Islands, "the	Based on the opinion of Cayman's lawyers, it is recommended that this section be fully disclosed in the annual report to avoid misunderstandings by the public or company shareholders. If it can be fully disclosed, there is no significant adverse impact on shareholders' equity.

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
		restrictions agreed between the transferor and transferee is a contractual matter between themselves.”	
The following matters shall be listed and explained in the convening of the shareholders' meeting, and shall not be proposed in a temporary motion; the main contents of the following matters shall be placed at the securities counter trading center or the stock exchange or the company's designated website, and their website shall be stated. In the call for notice: (1) The election or dismissal of directors; (2) Amendments to the Company Corporate Charter (Articles of Incorporation); (3) Decapitalization ; (4) Application for discontinuation of public offering: (5) Company dissolution, merger, share conversion, division; (6) Entering into, alteration, or termination of the agreement on leasing of the whole	The contents of requirement in this section are stated in Article 50 of the Articles of Incorporation and specified as, “The following shall be cited in the notice of the Shareholders Meeting, and cannot be proposed as extemporary motions: (a) Election or relief of Directors (b) Alteration of the MOU and/or the Articles of Incorporation; (c) Decapitalization; (d) Application for discontinuation of public offering; (e) Dissolution of the Company, transfer of shares (defined by applicable laws governing the listing on the TWSE or TPEx), merger, or spinoff; (f) Entering into, alteration, or termination of the agreement on leasing of the whole operation, entrustment of operation, or joint venture in operation with a third party; (g) Assignment of all or the principal business operations or assets; (h) Acceptance of business operations or assets assigned by a third party that caused significant influence on the operation of the Company; (i) Offering of equity securities through private placement; (j)	1. Amendments to Article 50 of the company’s Articles of Incorporation have been completed in accordance with the updated provisions in the left column of the “Checklist for Shareholders’ Rights and Interests Protection in the Foreign Issuer’s Country of Registration” announced by the Taiwan Stock Exchange Corporation on May 2, 2024. 2. The operation in the Cayman Islands has no specific rules and regulations governing extemporary motions. According to the lawyer of the Cayman Islands, the Company shall explicitly state the content of the meeting for discussion and provide related information for the shareholders in the meeting notice in the aspect of extemporary motion. However,	1. Amendments to Article 50 of the company’s Articles of Incorporation have been completed at the 2025 shareholders meeting in accordance with the provisions in the left column of the “Checklist for Shareholders’ Rights and Interests Protection in the Foreign Issuer’s Country of Registration” announced by the Taiwan Stock Exchange Corporation on May 2, 2024. 2. Based on the opinion of Cayman's lawyers, it is recommended that this section be fully disclosed in the annual report to avoid misunderstandings by the public or company shareholders. If it can be fully disclosed, there is no significant adverse impact on shareholders' equity.

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
operation, entrustment of operation, or joint venture in operation with a third party. (7) Transfer the entire or the main part of business or assets; (8) Acceptance of business operation or assets assigned by a third party that caused significant influence on the operation of the Company; (9) Offering of equity securities through private placement; (10) The engagement of the Directors in business prohibited under the rule of no competition; (11) Payment of dividends and bonuses in whole or in part through the offering of new shares. (12) Appropriation of the legal reserve or additional paid-in capital or as gifts for capitalization into new shares payable to the original	Engagement of the Directors in business activities prohibited under the rule of no competition; (k) Payment of dividends and bonuses in whole or in part through the offering of new shares; (l) Appropriation of legal reserves or additional paid-in capital, or gifts for capitalization into new shares or in cash payable to the original shareholders, in whole or in part; (m) According to the Company Act, payment of dividends and bonuses in whole or in part through the offering of new shares; (n) The Company may assign treasury shares to employees; (o) Termination of listing; (p) Issuance of employee stock warrants at a price lower than the closing price of the stock on the date of issuance; and (q) Issuance of new restricted employee shares. Shareholders may propose motions at the convention of the Shareholders Meeting unless the Company Act or the Articles of Incorporation provide otherwise but only confined to the scope of the original motions. (Note: The above is the extract in Chinese)"	"Miscellaneous motions" will usually be included in the meeting notice of the Shareholders Meeting. In general, these motions are informal and insignificant so that the Chairman (Presiding Officer) cannot include major issues in this category. In case of major issues, meetings shall be called under the agenda for further discussion and resolution. In case of an emergency where the issue must be resolved in the convention of the Shareholders Meeting, the substantive content of these issues must be presented in the next session for ratification. Nevertheless, extemporary motion is not regulated under the laws of the Cayman Islands. Yet, the lawyer of the Cayman Islands recommended not to bring up any extemporary motion in the convention of a	

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
shareholders in whole or in part.		Shareholders Meeting.	
If balloting could be made by correspondence or electronic means, the method must be elaborated in the notice of Shareholders Meeting. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, and waived his or her rights to the extempore motion and amendments to existing proposals at the shareholders' meeting.	This item is stipulated in Article 67 of the Articles of Association: “In addition to the provisions of the Listing Cabinet Act, when the company convened a shareholders meeting, the electronic method shall be listed as one of the channels for the voting rights of the shareholders' meeting, and may be adopted in writing. The exercise of voting rights shall be stated in the method of convening the shareholders' meeting. And Article 68: “Shareholders electing to cast their votes by correspondence or via electronic means as stated in the previous article shall be deemed the appointment of the Chairman (Presiding Officer) of the session of the Shareholders Meeting to exercise the right to votes as per the instruction of the aforementioned correspondence or electronic document. However, the balloting of these shareholders by correspondence or electronic means shall be construed as their abstention from the balloting on extemporary motions or amendments to the motions proposed in the session. The act of the aforementioned appointment shall not be construed as the	The Cayman Company Law has no special provisions on the protection of the shareholders' rights and interests on the left, so it is stipulated in Articles 67 and 68 of the Articles of Association. According to the opinion of Cayman’s lawyer, the shareholders vote in writing as the chairman of the shareholders' meeting. Therefore, in accordance with Cayman's lawyer's opinion, the second paragraph of the second paragraph is stipulated in Article 68 of the Articles of Association.	In Article 68 of the Articles of Incorporation, it is suggested that when the Chairman (Presiding Officer) acts on behalf of and in the names of the shareholders in casting the votes for decision as per the instructions of these shareholders by correspondence or via electronic means, he or she cannot exercise the right to vote not specified in the aforementioned correspondence or electronic document. This practice does not cause unfavorable and significant influence on shareholder equity.

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
	appointment of proxy under the rules and regulations governing the listing on the TWSE or TPEx. Once appointed by the aforementioned shareholders, the Chairman (Presiding Officer) cannot exercise the right to vote beyond the scope inscribed in the aforementioned correspondence or electronic documents. During the period when the shares of the Company have been registered in Xinggui or listed at the securities counter trading center or the stock exchange, the company shall appoint a financial management committee, a securities counter trading center or a stock exchange in the territory of the Republic of China when the shareholders' meeting is held outside the Republic of China. Shares of approved service agencies to deal with administrative matters relating to the meeting of shareholders (including but not limited to accepting shareholders vote matters).” (Note: The above is the extract in Chinese)		
If, after having exercised the voting rights in writing or electronically, a shareholder intends to attend the shareholders' meeting in person, he or she shall	The contents of the requirements of this section are inscribed in Article 70 of the Articles of Incorporation, and specified as “Where the shareholders may desire to attend the session of the Shareholders	The Cayman Company Law has no special provisions on the protection of the shareholders' rights and interests on the left. Therefore, it is stipulated in Article 70 of the Articles of	Based on the opinion of Cayman's lawyers, it is recommended that this section be fully disclosed in the annual report to avoid misunderstandings by the public or

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
revoke the prior expression of intent on exercise of voting rights in the same manner as how he or she has exercised the voting rights two days before the shareholders' meeting. If the revocation is not made within the specified time limit, exercise of voting rights in writing or electronically shall prevail.	Meeting in person after expressing the intent of voting by correspondence or electronic means, they shall revoke the previous expression of intent of voting by correspondence or electronic means at least 2 days prior to the meeting date. The revocation of the voting by correspondence or electronic means shall constitute the revocation of the appointment to the Chairman (Presiding Officer) in exercising the right to vote as stated in Article 68". If the shareholders expressed the intent of revoking the previous intent of voting by correspondence or electronic means as stated Article 67 after the aforementioned deadline, the previous expression of intent of voting by correspondence or electronic means shall stand and the Chairman (Presiding Officer) shall be appointed for casting the votes on behalf of and in the names of these shareholders as stated in Article 68. Where the shareholders may change their mind after expressing the intent of voting by correspondence or electronic means as stated in Article 67 by the appointment of proxies to attend the session of the Shareholders Meeting, it shall be construed as the	Association. According to Cayman's lawyer, under the Common Law, the principal can revoke its proxy by attending the meeting in person, due to written or electronic Shareholders who exercise their voting rights are deemed to have entrusted the chairman of the shareholders' meeting to exercise their voting rights at the shareholders' meeting on the basis of the instructions in the written or electronic documents. Therefore, the protection of shareholders' rights and interests on the left may not be enforceable.	company shareholders. If it can be fully disclosed, there is no significant adverse impact on shareholders' equity.

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
	revocation of the previous appointment of the Chairman (Presiding Officer) for voting on their behalf and in their names in Article 68. Accordingly, the votes cast by the proxies in the session shall stand. (Note: The above is the extract in Chinese)"		
After serving the proxy to the Company, the shareholders who wish to attend the meeting of the shareholders in person or to vote in writing or by electronic means shall notify the Company in writing to revoke the proxy two days prior to the meeting of the shareholders. If the proxy is not revoked before the deadline, the vote by proxy shall prevail.	The contents of the requirements are inscribed in Article 62B of the Articles of Incorporation, which are specified as "If the shareholders desire to attend the meeting in person, or exercise the right to vote by correspondence of electronic means after the delivery of the power of attorney to the Company, they shall notify the Company for revocation of the power of attorney previous made at least 2 days prior to the meeting date. The attendance by proxy to exercise the right to vote shall stand if notification cannot be made by the aforementioned deadline. (Note: The above is the extract in Chinese)"	The Cayman Company Law has no special provisions on the collection of power of attorney or power of attorney; therefore, the protection of the shareholders' rights and interests listed in the left column is stipulated in Article 62B of the Articles of Association. According to Cayman's lawyer, under the Common Law, the principal is revoke its proxy by attending the meeting in person, so the left shareholder's equity Protection matters may not be enforceable (not enforceable).	Based on the opinion of Cayman's lawyers, it is recommended that this section be fully disclosed in the annual report to avoid misunderstandings by the public or company shareholders. If it can be fully disclosed, there is no significant adverse impact on shareholders' equity.
The following motions involve the rights and privileges of the shareholders in materiality and shall be passed by the Shareholders Meeting in a session attended by shareholders representing more than two third of the	Paragraphs 1 and 4 of this paragraph, paragraph 5 and paragraph 6 are respectively specified in Article 32(a)(b)(c)(d)(f)(g) of the Articles of Association, as follows: "The Company may also adopt a Type A Special Resolution or a Type B Special Resolution: (a)	According to the lawyer of the Cayman Islands: (i) The articles of incorporation of the operation in the Cayman Islands must comply with the mandatory requirements of the Company Act of the Cayman Islands. In	Article 32(a)(b)(c)(d)(f)(g) and Article 33 (a) of the Articles of Incorporation (voluntary dissolution of the Company in case of insolvency) were amended in accordance with the Protection of

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
outstanding shares and a simple majority of the votes from the shareholders in session. If the presence of shareholders in this session cannot qualify for a quorum, the motion could be passed by the presence of shareholders representing more than half of the outstanding shares and a two third majority of the votes cast by the shareholders in the session: 1. Entering into, alteration, or termination of the agreement on leasing of the whole operation, entrustment of operation, or joint venture in operation with a third party, assignment of all or the principal business operation or assets, acceptance of business operation or assets assigned by a third party that caused significant influence on the operation of the Company 2. Amendment to the Articles of Incorporation	conclude, vary or terminate an agreement to lease all of its business, entrusted operations or co-operation with others; (b) transfer all or any major part thereof (c) a person who has significant influence on the operation of the company by the transfer of all business or property of others; (d) division of the company in accordance with the Listing Act; (e) permission of directors to engage in non-compete activities; (f) pursuant to section 17B to require issuers to limit employees' rights shares; and (g) to issue new shares assign some or all of the dividend or distribution; in order to avoid controversy, on the basis of Article 129 to set aside staff remuneration and directors remuneration issued by the New shares do not require a special resolution of type A or a special resolution of type B. (Note: The above is the extract in Chinese)" The requirement in Section 2 is presented in Article 157 of the Articles of Incorporation and is specified as "Unless the Company Act and the Articles of Incorporation specify otherwise, the Company may change the MOU and/or the Articles of Incorporation in whole or in part under a special	case of contradiction, the Company Law of the Cayman Islands shall stand; (ii) "Special Resolution" is a legal term under the Company Law of the Cayman Islands. Issues required for "Special Resolution" under the Company Law of the Cayman Islands shall be decided by shareholders under "Special Resolution" but the minimum votes shall not fall below the requirements under the "Special Resolution" under the Company Law of the Cayman Islands. As such, the Articles of Incorporation shall set a higher standard.	Shareholders Equity Checklist generally. Under the mandatory requirement of the Company Law of the Cayman Islands, the Articles of Incorporation (including the amendment to circumstances that may jeopardize the rights of the shareholders of preferred shares), dissolution (situations beyond voluntary dissolution of the Company due to insolvency), and merger must be passed under "Special Resolution" and cannot be changed only under the Articles of Incorporation. The intensity for the protection of the rights of the shareholders provided by the Articles of Incorporation and the Protection of Shareholders Equity Checklist are relevant on the basis of a "Special Resolution" and the means of resolution stated in the Protection of Shareholders Equity Checklist.

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
3. If the amendment to the Articles of Incorporation may jeopardize the rights of the holders of preferred shares, the resolution for approval by the meetings of the preferred shareholders is necessary. 4. Payment of dividends or bonuses in whole or in part by issuing new shares. 5. Decision of dissolution, merger or spinoff 6. The issuance of restricted stock	resolution. (Note: The above is the extract in Chinese)" Subparagraph 3 of this section is presented in Article 18 of the Articles of Incorporation and specified as "The Company may split up its equity capital into different categories of shares (such as common shares or preferred shares) at any time. Any unfavorable and significant change or revocation of the rights (including without limitation to any amendment to the Articles of Incorporation that may jeopardize the rights of any of the shareholders of preferred shares) of any category of shares (except the conditions for the offering of specific categories of shares specify otherwise) shall be made under (I) the special resolution of the Shareholders Meeting (of common shares); and (II) the special resolution of a separate shareholders Meeting of a specific category of shares (such as preferred shares). (Note: The above is the extract in Chinese)" The requirement of section 5 in the aspect of dissolution of the organization is presented in Article 33 of the Articles of Incorporation and is specified as "Unless the Company Act, the Articles of Incorporation, and		

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
	applicable laws governing the listing on the TWSE or TPEx specify otherwise in attendance, the Company shall (a)resolve to voluntary dissolution in case of insolvency for settlement of debts upon due under Special Resolution A or Special Resolution B; or (b) resolve to voluntary dissolution in case of other incidents beyond insolvency under special resolution for the dissolution of the Company. (Note: The above is the extract in Chinese)" Subparagraph 5 of this section in the aspect of merger is presented in Article 31 (c) of the Articles of Incorporation and is specified as "the Company may (c) proceed to merger in accordance with the applicable laws governing listing on the TWSE or TPEx through special resolution. (Note: The above is the extract in Chinese)"		
1. The company continues to hold more than six months the total issued shares of more than one per cent shareholder, by written request Audit Committee of the company filed a lawsuit against directors and to Taiwan	The contents of the requirements in this Paragraph 2 are included in Article 123 of the Articles of Incorporation and are specified as "under the laws of the British Cayman Islands, shareholders who hold 1% or more of the outstanding shares issued by the Company for more than 6 months consecutively may	1. Amendments to Article 123 of the company's Articles of Incorporation have been completed in accordance with the provisions in the first item of the left column "shareholders holding more than 1% of the company's total	1. Amendments to Article 123 of the company's Articles of Incorporation have been completed at the 2025 shareholders meeting in accordance with the provisions in the first item of the left column of

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
Taipei first instance court of competent jurisdiction for the Northern District Court. 2. If the Audit Committee declines to institute legal action within 30 days after the shareholder has petitioned for legal action, the shareholder may institute legal action for the Company and submit the jurisdiction of the first instance to Taiwan Taipei District Court.	petition of the Audit Committee in writing for suing the Directors and institute the action with a court of legal jurisdiction (including Taipei District Court of Taiwan, where applicable). If the Audit Committee declines or rejects the request to institute legal action within 30 days after receiving the petition from the shareholders, as mentioned in the previous paragraph, the shareholders may initiate legal action on behalf of the Company in a court of legal jurisdiction (including the Taipei District Court of Taiwan, where applicable), unless the laws of the British Cayman Islands provide otherwise. (Note: The above is the extract in Chinese)"	shares issued for a period of more than six months" of the "Checklist for Shareholders' Rights and Interests Protection in the Foreign Issuer's Country of Registration" announced by the Taiwan Stock Exchange Corporation on May 2, 2024. 2. There is no special requirement or prohibition inscribed in the Articles of Incorporation of the Cayman Company. According to the laws of the Cayman Islands, shareholders may institute legal action for the Company in the following circumstances: (i) an act of offense under law or abusive use of power without authorization of the Company and lacked the ratification of the shareholders; or (ii) An act of fraud against minority shareholders (the parties petitioned for remedy are the majority shareholders. These majority shareholders will	the "Checklist for Shareholders' Rights and Interests Protection in the Foreign Issuer's Country of Registration" announced by the Taiwan Stock Exchange Corporation on May 2, 2024. 2. Based on the opinion of Cayman's lawyers, it is recommended that this section be fully disclosed in the annual report to avoid misunderstandings by the public or company shareholders. If it can be fully disclosed, there is no significant adverse impact on shareholders' equity.

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
		not permit the Company to give leeway for the complainant in the petition for remedy through legal action. If the cause under this paragraph is the cause of legal action, prove that the fraud and illegal activities are committed by those who have control over the Company). Any act within the authority of the Company or the abusive use of power was ratified by the shareholders and is the will of the majority of shareholders, the court of the Cayman Islands tends not to interfere into the internal affairs of the Company. The lawyer of the Cayman Islands went further that Article 123 of the Articles of Incorporation must be in compliance with the legal requirements of the Cayman Islands. Accordingly, it is not the obligation of the Directors to respond to the request of shareholders	

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
		holding more than 3% of the outstanding shares of the Company to institute legal action against the other Directors if these Directors hold that the institution of legal action is not for the interest of the Company.	
1. The Directors of the Company owe a fiduciary duty of care and shall be held responsible to all the damages to the Company for their failure to perform such duty. If an act was committed by directors on their own will or in favor of a third party, the Shareholders Meeting may resolve to take the income from such act as the income of the Company. 2. If the performance of the assigned duties of the Company by the Directors is in violation of applicable laws the extent to which damage is caused to a third party, the Directors shall assume joint and several liabilities	The content of requirement in this paragraph is presented in Article 97B of the Articles of Incorporation and is specified as "All Directors owe a fiduciary duty to the Company under the law of the Cayman Islands and applicable laws to the listing on the TWSE or TPEx, and such fiduciary duty shall include without limitation the observation of honesty and good will, and avoidance of conflict between obligation and personal interest. If any Director violates the aforementioned obligation of honesty, such Director shall assume responsibility of the damage thereof under the law of the British Cayman Islands and applicable laws for listing on the TWSE or TPEx. According to the law of British Cayman Islands and applicable laws for listing on the TWSE or TPEx, any Director who violates the aforementioned obligation of honesty for	According to the Company Law of the Cayman Islands, Directors owe fiduciary duties to the Company, and any violation which causes damage to the Company may result in a court ruling for assuming liability for the damage. If there is an act of breach of honesty by the Director for self-interest or a third party with the return of benefit, the court may rule to return the benefit. According to the law of the Cayman Islands, if a Director has caused damage to a third party in performing the assigned duties of the Company, such third party may claim for the damage against the Company. Likewise, the Company may claim for the loss due to the damage claimed by the third party against the Director. From the perspective of the law	Based on the opinion of Cayman's lawyers, it is recommended that this section be fully disclosed in the annual report to avoid misunderstandings by the public or company shareholders. If it can be fully disclosed, there is no significant adverse impact on shareholders' equity.

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
of the damages to the third party and the Company. 3. The managers of the Company shall, within the scope of duties, be responsible for the same joint and several liabilities of damages of the Directors.	self-interest or a third party, the Shareholders Meeting may take any income for the above act as the income of the Company. If any Director of the Company has caused damage to a third party in performing the assigned duties of the Company, this Director shall assume joint and several liabilities to the third party and the Company under the law of the British Cayman Islands and applicable laws for listing on the TWSE or TPEx. Under such circumstance, the Director shall respond to the claim for damage instituted by the third party. According to the law of the British Cayman Islands and applicable laws regarding the TWSE or TPEx, the managers of the Company, within their respective scopes of assigned duties, assume the same responsibilities with the Directors as mentioned in preceding paragraphs. (Note: The above is the extract in Chinese)”	of the Cayman Islands, the third party cannot make a claim directly against the Director even though the Articles of Incorporation specify that Directors shall assume joint and several liabilities with the Company.	

VII. Occurrences of events defined under Article 36-3-2 of the Securities Exchange Act in the latest year up till the publishing date of this annual report that significantly impacted shareholders' equity or security prices: None.

SUN MAX TECH LIMITED

Chairman：SINOTEAM HOLDINGS INC.

Representative: HSU Wen-Faung