

TAITIEN ELECTRONICS CO., LTD.

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.

Printed on Apr 30, 2025

Annual Report is available at: <http://mops.twse.com.tw>

Taiwan Stock Exchange Market Observation Post System

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IV. Auditors of Current Financial Statements

Name of Auditors: Sheng-Tai Liang , Sandra Chen

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V. Public Listings and Securities Trading in Overseas Stock Exchanges:

None

VI. Company Website

<https://www.taitien.com/tw>

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One. Letter to Shareholders

Dear shareholders,

In 2024, due to multiple factors such as the ongoing US–China conflict, the Russia–Ukraine war, and the Israel-Palestine conflict, the global economic recovery was less than ideal. Furthermore, geopolitical tensions have led to inconsistent demand in end markets, prompting many supply chains to adjust their inventory strategies. The return of existing customers in the networking and industrial sectors for Taitien was not as expected, while competition in the consumer market intensified, resulting in revenue and earnings falling short of expectations. Looking ahead to 2025, despite ongoing trade barriers, political conflicts, and changes in market demand, Taitien remains resilient by focusing on high-speed computing and AI-driven next-generation upgrades. The company is committed to enhancing the technical value of its products and refining responsive services to overcome adversity. Taitien will continue to expand its potential customer base, strengthen operational control, and strive for steady, sustainable development.

The following is a summary of the business report for the year 2024 and the business plan for the year 2025:

I. 2024 business report:

1. Business plan implementation results:

For the year 2024, the Company's consolidated net operating revenue was \$1,503,452 thousand, consolidated gross profit was \$340,064 thousand, consolidated net operating income was \$6,701 thousand, consolidated net income before tax was \$47,186 thousand, consolidated net income after tax was \$27,367 thousand, and earnings per share (EPS) was \$0.40.

2. Budget execution:

The Company's financial projections for 2024 are not publicly available.

3. Analysis of consolidated financial income and expenditure and profitability :

Items	2023	2024
Debt ratio (%)	26.23	26.15
Current ratio (%)	412.56	373.71
Quick ratio (%)	293.68	275.60
Return on assets (%)	3.87	1.40
Return on equity (%)	5.31	1.72
Profit margin (%)	5.58	1.82
Earnings per share (\$)	1.29	0.40

4. Research & development status :

The Company's completion in 2024:

- (1) 3225 High Precision TCXO
- (2) DIP 14 10MHz Ultra Low Power OCXO
- (3) 7050/5032 +/-50ppm, -40oC ~ 105oC TCXO ◦

II. Summary of annual business plan for 2025:

1. Management policy:

- (1) The Company will continue to improve and expand the capacity, success rate and quality of miniaturized high-end crystals, oscillators and high-end products.
- (2) The Company will continue to optimize its enterprise resource intellectualization and smart BCP system.
- (3) The Company will continue to strengthen customer relationships, expand customer coverage and optimize sales variety and service competitiveness
- (4) The Company continues to implement ESG promotion to strengthen the capacity of corporate sustainability.
- (5) The Company will strengthen design-in to grasp market opportunities.

2. Expected sales volume and basis thereof:

TAITIEN Group's sales targets are estimated based on annual production capacity, resources, industry economic conditions and the competition for orders.

The planned sales volume for 2025 is as follows:

Product type	Sales volume
Crystal Oscillator	130 million units
Crystal	360 million units
Total	490 million units

3. Important production and sales policy:

- (1) The Company shall promote manufacturing intelligence, shorten production cycles, and continue to improve success rates and reduce costs.
- (2) The company shall continue to increase the production of high-end products.
- (3) Improving competitiveness in delivery and capacity turnover continuously.
- (4) The Company shall promote full digitalization for the process to improve the response time of reflection.

III. Company development strategy for the future:

1. The Company will focus on 5G telecommunications, high-speed network communications, data transmission, and automotive applications to provide customers with complete FCP product solutions.
2. The Company will lay out the product dynamics required for new application markets in advance to quickly connect with various customers' needs and achieve the volume to satisfy the diversified market, thereby promoting operational performance.

3. Leveraging the core technology gained over 45 years, the Company will work with key customers to develop new applications and increase profitability.
4. Starting with production intelligence, the Company will strengthen its operational efficiency through cooperation between industry, government and academia.
5. The Company will continue strengthening its human resource development program to build a foundation for sustainable development.

IV. Effect of external competition, the legal environment, and the overall business environment:

1. Impact of competition from external environment:

Facing fierce competition in the quartz industry at home and abroad and fierce cross-industry competition, in addition to exploring and cultivating high-end product markets, developing new chains and reinforcing supply partnerships, the Company is also diversifying its production lines, continuously improving quality and reducing costs, and strengthening its control over real-time response.

2. Impact of Regulatory Environment:

The Company complies with all regulatory requirements at home and abroad, keeps abreast of the latest conditions and adjusts internal control management processes to ensure smooth business operations.

3. Impact of the general business environment:

The global economy is facing a number of changes, such as prolonged inflation, growing trade sectionalism, tightening of import and export controls, and a reduction in consumption in livelihood industries. However, the development of information and communication in a diversified field is expected to bring a new image to regional infrastructure, digital management systems and the expansion of the economy in the new generation. Moreover, turning crisis into opportunity is the key point.

We would like to report the Company's operations for 2024 to our shareholders and thank them once again for their long-term support and encouragement, and for the efforts and contributions made by all of our employees. We will continue to strive to do our best with the spirit of dedication and perseverance. Thank you all!

Chairman: Sung, Sheng-Tai

Two. Corporate Governance Report

I. Directors, Supervisors and Management Team

(I) 1. Directors Information

April 12, 2025

Title	Nationality and place of registration	Name	Gender Age	Date elected (appointed)	Term	Date first elected	Shares held when elected		Shares currently held		Shares currently held by spouse & minors Shares currently held		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Executives, directors or supervisors who are spouses or within second degrees of kinship			Remarks (Note 1)
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Chairman	Taiwan	Sheng-Tai Song	Male 71-80 years old	June 16, 2023	3 years	February 23, 2000	9,800,618	14.34%	10,150,618	14.85%	0	0	0	0	Master's, Northwestern University Bachelor's of Electrical Engineering, Taiwan University Tai Tien Electric Co., Ltd. General Manager	<ol style="list-style-type: none"> 1. Director of Tai Tien Electric Co., Ltd. 2. Director of Hui Chu Investment Co., Ltd. 3. Chairperson and General Manager of TAITIEN (Nanjing) Electronics Co., Ltd. General Manager 4. Chairperson and General Manager of TAITIEN (Shenzhen) Electronics Co., Ltd. 5. Chairperson and General Manager of Wintron (Zhengzhou) Inc. 6. Director of Wan'an Huajing Electronic Co., Ltd. 7. Chairperson of Taitien Holding Company Limited 8. Chairperson of Hardy Holding Corporation 9. Chairperson of Indus Taitien Marketing Limited 10. Chairperson of Colorado Crystal Corporation 11. Chairperson of Taitien USA, Inc. 12. Chairperson of Pletronics, Inc 13. Representative of Institutional Director of Yung Chuang Investment Co., Ltd. 14. Director of Yung Da Investment Co., Ltd. 	Director	Justine, Song	Father and daughter	(Note 1)
Director	Taiwan	Justine, Song	Female 41-50 years old	June 16, 2023	3 years	June 19, 2020	0	0	0	0	0	0	0	Bachelor's in Economy, Massachusetts Institute of Technology Master's, EESOR, Stanford University Master's in Business Administration, INSEAD Manager of Operations Department, TAITIEN Electronics Co., Ltd. Assistant General Manager, China Development Financial Holding Corporation Investment Specialist, WI Harper Group	<ol style="list-style-type: none"> 1. President of TAITIEN Electronics Co., Ltd. 2. Director of TAITIEN (Shenzhen) Electronics Co., Ltd. 	Chairman	Sheng-Tai Song	Father and daughter	None	

Title	Nationality and place of registration	Name	Gender Age	Date elected (appointed)	Term	Date first elected	Shares held when elected		Shares currently held		Shares currently held by spouse & minors Shares currently held		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Executives, directors or supervisors who are spouses or within second degrees of kinship			Remarks (Note 1)
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Director	Taiwan	Tien-Hao, Wang	Male 51-60 years old	June 16, 2023	3 years	June 22, 2017	0	0	0	0	0	0	0	0	Master's in Electrical Engineering, University of Southern California Bachelor's in Electrical Engineering, National Tsing Hua University Associate and Deputy General Manager of WK Technology Fund Co., Ltd. Executive Assistant to General Manager of First International Computer, Inc. Deputy General Manager of Guang Peng Technology Co., Ltd. Director of Lite-On Technology Corporation Manager and senior manager of Technology Associates Corporation	1. Director, and senior deputy general manager of WK Innovation Ltd. 2. Chairperson of Foxfortune Technology III Ventures Limited (Representative of Foxfortune Technology Ventures Limited) 3. Chairperson of Foxfortune Technology II Ventures Limited (Representative of Foxfortune Technology Ventures Limited) 4. Chairperson of Hung Kao Investment Co., Ltd. 5. Chairperson of Hung Chih Investment Co., Ltd. 6. Representative of Institutional Director of General Life Biotechnology Co., Ltd. 7. Independent Director of Fositek Co., Ltd. 8. Independent Director of JET Optoelectronics Co., Ltd. 9. Supervisor of Corex Materials Corporation 10. Director of FETek Technology Corp. 11. Independent Director of Fitipower Integrated Technology Inc.	None	None	None	None

Title	Nationality and place of registration	Name	Gender Age	Date elected (appointed)	Term	Date first elected	Shares held when elected		Shares currently held		Shares currently held by spouse & minors Shares currently held		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Executives, directors or supervisors who are spouses or within second degrees of kinship			Remarks (Note 1)
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Director	Taiwan	Teh-Chang Yao	Male 51-60 years old	June 16, 2023	3 years	June 30, 2002	0	0	0	0	0	0	0	0	Master's in Finance, Taiwan University Supervisor of TAITIEN Electronics Co., Ltd. (June 19, 2020)	1. Chairperson of SinoStar Capital Co., Ltd. 2. Chairperson of Yongchuang Investment Co., Ltd. 3. Chairperson of Success Innovation Management Consulting Co., Ltd. 4. Chairperson of Feng Huang Innovative Venture Investment Co., Ltd. 5. Chairperson of Feng Huang II Innovative Venture Investment Co., Ltd. 6. Chairperson of Feng Huang III Innovative Venture Investment Co., Ltd. 7. Chairperson of Feng Huang IV Innovative Venture Investment Co., Ltd. 8. Chairperson of Feng Huang V Innovative Venture Investment Co., Ltd. 9. Chairperson of Feng Huang VI Innovative Venture Investment Co., Ltd. 10. Chairperson of Feng Huang VIII Innovative Venture Investment Co., Ltd. 11. Director of Young Tec Electronics Corp. 12. Independent Director, JENTECH Co., Ltd. 13. Director, ASIX Electronics Corporation 14. Director of ACTi Co., Ltd. 15. Institutional Director, UDE Corp. 16. Representative of Institutional Director of LedLink Co., Ltd. 17. Director of Gigastone Co., Ltd. 18. Director of Sync-Tech System Corp. 19. Director of LeRain Technology Co., Ltd. 20. Director of NCKU Venture Capital Co., Ltd. 21. Independent Director, Syntec Technology Co., Ltd.	None	None	None	None

Title	Nationality and place of registration	Name	Gender Age	Date elected (appointed)	Term	Date first elected	Shares held when elected		Shares currently held		Shares currently held by spouse & minors Shares currently held		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Executives, directors or supervisors who are spouses or within second degrees of kinship			Remarks (Note 1)
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Director	Taiwan	Bor-Ren Jeng,	Male 71-80 years old	June 16, 2023	3 years	June 16, 2023	0	0	0	0	0	0	0	0	Ph.D., Electrical Engineering, University of Maryland Master of Electrical Engineering, University of Idaho Bachelor, Electrical Engineering, National Taiwan University Adjunct Professor, Department of Information Engineering, National Tsing Hua University Adjunct Professor-level Expert, Department of Information Engineering, National Taiwan University of Science and Technology Adjunct Professor, University of Electronic Science and Technology of Chengdu Adjunct Professor, University of Shanghai for Science and Technology	None	None	None	None	None
Independent Director	Taiwan	Hsiao-Ping Fan	Female 61-70 years old	June 16, 2023	3 years	June 19, 2020	15,000	0.02%	15,000	0.02%	0	0	0	0	Master's in Accounting, Taiwan University Bachelor's in Commerce (Program of Accounting), Taiwan University Chartered account, Deloitte Taiwan	1. Chartered accountant, Deloitte Taiwan 2. Consultant of Taiwan Economic Journal Co., Ltd	None	None	None	None
Independent Director	Taiwan	Yu-Tun Wu	Male 61-70 years old	June 16, 2023	3 years	June 19, 2020	0	0	0	0	0	0	0	Bachelor's in Electrical Engineering, National Taiwan University of Science and Technology Executive Deputy General Manager of 3C Solution Provider Senior Engineer, IBM Research Assistant, National Chung-Shan Institute of Science and Technology	1. Representative of Institutional Director, Pantek Co., Ltd. 2. Representative of Institutional Director, All Plus (Shanghai) Co., Ltd. 3. Representative of Institutional Director, 3C Solution Provider (Shenzhen) Co., Ltd. 4. Director, Vice Chairperson of 3C Solution Provider Co., Ltd. 5. Representative of institutional director, Yubantec Co., Ltd.	None	None	None	None	

Title	Nationality and place of registration	Name	Gender Age	Date elected (appointed)	Term	Date first elected	Shares held when elected		Shares currently held		Shares currently held by spouse & minors Shares currently held		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Executives, directors or supervisors who are spouses or within second degrees of kinship			Remarks (Note 1)
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Independent Director	Taiwan	Tung-Te Li	Male 61-70 years old	June 16, 2023	3 years	June 27, 2008	6,200	0.01%	6,200	0.01%	0	0	0	0	Master's in Tech. Knowledge, National Chiao Tung University Bachelor's in Electrophysics, National Chiao Tung University Director of TAITIEN Electronics Co., Ltd. (dismissed on January 10, 2014) General manager and director of operations, USA region; deputy general manager of research and development department and sales department of TAITIEN Electronics Co., Ltd.	None	None	None	None	None
Independent Director	Taiwan	WAN-YUAN LIN	Male 61-70 years old	June 16, 2023	3 years	June 16, 2023	0	0	0	0	0	0	0	0	In-service Master's Program, Division of International Business Administration, National Taiwan University Bachelor, Department of Accounting, National Cheng Kung University CFO and Vice President, Apacer Technology Inc.	Person in charge, DF Advertising CO., LTD.	None	None	None	None

Note 1: Where the Company's chairperson and the general manager or an officer of equivalent position (the most senior manager) are the same person, or spouses or consanguinity within the first degree to each other, the reason, rationality, necessity and countermeasures (e.g. to increase the number of independent directors and have the majority of directors not serving concurrently as an employee or a manager) shall be disclosed:
 This company's Chairman, Sheng-Tai Song, and President, Justine Song, are first-degree relatives. The chairman and board of directors can enhance operational efficiency and decision-making capacity by engaging in comprehensive communication regarding the company's operations, plans, and so on. This, in turn, facilitates corporate governance.
 Currently, the Company has the following concrete measures:
 1) The majority of the members of the board of directors are not also employees or managers
 2) The independent directors are able to adequately discuss and make recommendations for the board of directors' reference in each functional committee, thereby implementing corporate governance.
 3) At the 9th board reelection, one independent director was added.

2. Professional qualifications and independence analysis of directors and supervisors :

Qualification Name	Professional qualifications and experience	Independence (Note 1)											Number of independent director positions held in other listed companies
		1	2	3	4	5	6	7	8	9	10	11	
Chairman Sheng-Tai Song	With over five years of experience in the Company's operations, the director currently serves as the chairperson and general manager of TAITIEN Electronics Co., Ltd. and is not subject to any of the provisions of Article 30 of the Company Act.					V		V	V	V	V	V	0
Director Justine, Song	With over five years of experience in the Company's operations, the director currently serves as the Deputy General Manager of TAITIEN Electronics Co., Ltd. and is not subject to any of the provisions of Article 30 of the Company Act.		V	V		V	V	V	V	V		V	0
Director Tien-Hao Wang	With over five years of experience in the Company's operations, the director is not subject to any of the provisions of Article 30 of the Company Act.	V	V	V	V	V	V	V	V	V	V	V	2
Director Teh-Chang Yao	With over five years of experience in the Company's operations, the director is not subject to any of the provisions of Article 30 of the Company Act.	V	V	V	V	V	V	V	V	V	V	V	2
Director Bor-Ren Jeng	With over five years of experience in the Company's operations, the director is not subject to any of the provisions of Article 30 of the Company Act.	V	V	V	V	V	V	V	V	V	V	V	0
Independent Director Hsiao-Ping Fan	With over five years of experience in the Company's operations, the director passed the national CPA exam and has required the license. She has served as a chartered account at Deloitte Taiwan and is not subject to any of the provisions of Article 30 of the Company Act.	V	V	V	V	V	V	V	V	V	V	V	0
Independent Director Yu-Tun Wu	With over five years of experience in the Company's operations, the director is not subject to any of the provisions of Article 30 of the Company Act.	V	V	V	V	V	V	V	V	V	V	V	1
Independent Director Tung-Te Li	With over five years of experience in the Company's operations, the director is not subject to any of the provisions of Article 30 of the Company Act.	V	V	V	V	V	V	V	V	V	V	V	0
Independent Director Wan-Yuan Lin	With over five years of experience in the Company's operations, the director is not subject to any of the provisions of Article 30 of the Company Act.	V	V	V	V	V	V	V	V	V	V	V	0

Note1: Please tick the corresponding boxes that apply to the directors or supervisors during the two years prior to being elected or during the term of office.

- (1) Not an employee of the company or any of its affiliates.
- (2) Not a director or supervisor of the company or any of its affiliates. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.
- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs.
- (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. 5.
- (6) If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.
- (7) If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or

- institution. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.
- (8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent, if the specified company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the public company.
 - (9) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.
 - (10) Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company.
 - (11) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.

3. Board diversity and independence:

(1) Board Diversity :

In accordance with the Company's diversity policy, the nomination of director candidates is based on a candidate nomination system in accordance with the Company's articles of incorporation in order to strengthen corporate governance and facilitate the development of a sound composition and structure of the board of directors. The nomination system evaluates each candidate's academic (experience) qualifications and measures their professional background, integrity or relevant professional qualifications, etc. Upon approval by the board of directors, the motion is submitted to the shareholders' meeting for election. It is advisable that an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs be formulated and include, without being limited to, the following general standards:

- (A) Basic requirements and values: gender, age, nationality, and culture.
- (B) Professional knowledge and skills: operational judgment, accounting and financial analysis, operation management, crisis management, industry knowledge, international market insight, leadership and decision making.

The specific management objectives of the Company's diversification policy and their achievement are as follows:

Management goals	Achievements
Independent directorships exceed one-third of the board positions	Achieved
The number of directors who are also managers of the Company shall not exceed one-third of the number of directors.	Achieved
None of the independent directors have served more than three terms	Achieved
Adequate and diverse professional knowledge and skills	Achieved
More than two positions are for female directors	Achieved

The company has designated nine directors in accordance with the regulations. Despite the fact that there are two female seats, which are in compliance with regulatory requirements, the ratio of female directors has not yet attained one-third. This is due to the fact that suitable female candidates have yet to be identified. In the future, the company will continue to uphold the spirit of gender equality and diversity in director makeup. Suitable female director candidates will continue to be sought and invited in order to enhance the ratio of female director seats, as part of our commitment to improving corporate governance efficiency. °

The implementation of the board member diversification policy is as follows:

Diversification Items Name		Composition							Expertise			Professional knowledge and skill										
		Nationality	Gender	Positions held concurrently in the Company	Age				Term of office and seniority of independent directors		Accounting	Industry	Finance	Technology	Ability to make operational judgments	Ability to perform accounting and financial	Ability to conduct management administration	Ability to conduct crisis management	Industry knowledge	Insights on international markets	Leadership ability	Decision making ability
					41-50 years old	51-60 years old	61-70 years old	71-80 years old	Under 3 years	3-9 years old												
Director	Sheng-Tai Song	Taiwan	Male	V			V				V		V	V	V		V	V	V	V		
	Justine Song		Female	V	V						V	V		V	V	V	V		V		V	
	Tien-Hao Wang		Male			V					V				V	V		V	V	V		
	Teh-Chang Yao		Male			V					V				V	V		V	V		V	
	Bor-Ren Jeng		Male					V			V			V	V			V	V			
Independent Director	Hsiao-Ping Fan		Female			V		V		V		V		V		V				V		
	Yu-Tun Wu		Male			V		V			V		V	V		V		V	V	V		
	Tung-Te Li		Male			V		V			V		V	V		V		V		V		
	Wan-Yuan Lin		Male			V		V		V		V		V	V	V				V		

(2) Independence of the board of directors :

The Company's current Board of Directors consists of nine members, including four independent directors, and the number of independent directors accounts for more than one-third of the total number of directors. As of the end of 2024, the independent directors are all in compliance with the regulations for independent directors set by the Securities and Futures Bureau, Financial Supervisory Commission. Moreover, on the board of directors, no more than two directors are spouses or relatives within the second degree of kinship. There are no circumstances as specified in subparagraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act. The board of directors of the Company is independent. (Please refer to page 9 of this annual report - Disclosure of Professional Qualifications of Directors and Independence of Independent Directors). Regarding the education, gender and work experience of each of the directors, please refer to pages 4 to 8 of this annual report. °

4. Training for directors and supervisors:

December 31, 2024

Title	Name	Date appointed	Training date		Organizer	Training name	Training hour	Is the training in line with the requirements
			Commencement	Expiration				
Chairman	Sheng-Tai Song	June 16, 2023	10/25/2024	10/25/2024	The Securities & Futures Institute	The AI Boom: Technical Development and Application Opportunities of ChatGPT	3.0	Yes
			11/14/2024	11/14/2024		NVIDIA's Three-Trillion Miracle: New Perspectives on the Semiconductor Revolution Behind Artificial Intelligence	3.0	Yes
Director	Justine Song	June 16, 2023	06/08/2024	06/08/2024	Taiwan Corporate Governance Association	Post-Pandemic Era: How Taiwanese Enterprises Should Strategize for the Challenges and Opportunities of Transformation and Upgrading (Part II)	3.0	Yes
			09/19/2024	09/19/2024	The Securities & Futures Institute	Silicon Photonics Defines the Network: Development Trends of Silicon Photonics (SiPh) and Co-Packaged Optics (CPO)	3.0	Yes
Director	Tien-Hao Wang	June 16, 2023	05/31/2024	05/31/2024	Taiwan Corporate Governance Association	Board of Directors' Guidelines and Compliance Practices for Cybersecurity Governance	3.0	Yes
			08/09/2024	08/09/2024	Independent Director Association Taiwan	Analysis of Corporate Anti-Corruption and Anti-Bribery Practices	3.0	Yes
Director	Teh-Chang Yao	June 16, 2023	10/23/2024	10/23/2024	Importers and Exporters Association of Taipei	Understanding Global Economic and Trade Trends and Industrial Development	3.0	Yes
			10/23/2024	10/23/2024	Association of Taipei	Understanding Gender Equality Laws from the Perspective of Directors and Supervisors	3.0	Yes
Director	Bor-Ren Jeng	June 16, 2023	09/27/2024	09/27/2024	The Securities & Futures Institute	Cybersecurity Management Act and Case Studies of Penalties Imposed by Taiwan's Three Financial Regulatory Authorities	3.0	Yes
			10/25/2024	10/25/2024		The AI Boom: Technical Development and Application Opportunities of ChatGPT	3.0	Yes
Independent Director	Hsiao-Ping Fan	June 16, 2023	09/05/2024	09/05/2024	The Securities & Futures Institute	2024 Second-Half Business Outlook: Latest Status, Strategies, and Challenges for Taiwan's Industry Managers (PMI/NMI)	3.0	Yes
			11/21/2024	11/21/2024		Relevant Regulations for Boards to Note Amid the ESG Wave	3.0	Yes
Independent Director	Yu-Tun Wu	June 16, 2023	10/04/2024	10/04/2024	The Securities & Futures Institute	2024 Insider Trading Prevention Conference	3.0	Yes
			12/03/2024	12/03/2024	Digital Governance Association	Corporate Risk Management and Crisis Response: Perspectives of Directors and Supervisors	3.0	Yes

December 31, 2024

Title	Name	Date appointed	Training date		Organizer	Training name	Training hour	Is the training in line with the requirements
Independent Director	Tung-Te Li	June 16, 2023	09/04/2024	09/04/2024	The Securities & Futures Institute	How Do Directors and Supervisors With Non-financial Accounting Backgrounds Review Financial Statements	3.0	Yes
			11/14/2024	11/14/2024		NVIDIA's Three-Trillion Miracle: New Perspectives on the Semiconductor Revolution Behind Artificial Intelligence	3.0	Yes
Independent Director	Wan-Yu an Lin	June 16, 2023	09/10/2024	09/10/2024	The Securities & Futures Institute	Corporate Risk Management and Crisis Response: Perspectives of Directors and Supervisors	3.0	Yes
			11/13/2024	11/13/2024		Audit committee operation practices	3.0	Yes

5. Major shareholders of the institutional shareholders : None

(II) Information on the Company's general manager, deputy general managers, associate, and the chiefs of all the Company's divisions and branch units

April 12, 2025

Title	Nationality	Name	Gender	Date elected (appointed)	Shares held		Shares held by spouse, minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions concurrently held in other companies	Manager with spouse or second degree of kinship			Remarks (Note 1)
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
President	Taiwan	Justine Song	Female	03/13/2025	0	0	0	0	0	0	Bachelor's in Economy, Massachusetts Institute of Technology Master's, EESOR, Stanford University Master's in Business Administration, INSEAD Manager of Operations Department, TAITIEN Electronics Co., Ltd. Assistant General Manager, China Development Financial Holding Corporation Investment Specialist, WI Harper Group	1. President of TAITIEN Electronics Co., Ltd. 2. Director of TAITIEN (Shenzhen) Electronics Co., Ltd.	Chairman	Sheng-Tai Song	Father and daughter	None
Director of Operations	Taiwan	Yu-Feng Li	Female	01/28/2015	138,725	0.20%	0	0	0	0	Bachelor's in Journalism, Chinese Culture University	None	None	None	None	None
Director of Production	Taiwan	Wen-Tsen g Chih	Male	10/01/2021	166,284	0.24%	15,315	0.02%	0	0	Master's in Business Management University of Northern Virginia Department of Electric Engineering, Lunghwa College	1. Director of TAITIEN (Nanjing) Electronics Co., Ltd. 2. Director of TAITIEN (Shenzhen) Electronics Co., Ltd.	None	None	None	None
Deputy General Manager, Sales Department	Taiwan	Yu-Hsien Li	Female	07/19/2011	122,341	0.16%	0	0	0	0	Bachelor's in Business Administration, Chung Hsing University	1. Director of TAITIEN (Nanjing) Electronics Co., Ltd. 2. Director of TAITIEN (Shenzhen) Electronics Co., Ltd.	None	None	None	None
Associate of Finance and Accounting	Taiwan	Li-Chu Yang	Female	01/15/2007	144,740	0.21%	0	0	0	0	Master's in Accounting, National Taipei University Bachelor's in Accounting, Chung Hsing University Supervisor of audit department, Deloitte Taiwan Specialist, CTS Computer Technology System Corp.	1. Director, Indus Taitien Marketing Limited 2. Supervisor of TAITIEN (Nanjing) Electronics Co., Ltd.	None	None	None	None
Director of business department	Taiwan	Chun-Lung Huang	Male	07/06/2011	49,921	0.07%	0	0	0	0	Master's in Business Management, Chung Hsing University Associate, YUBANTEC Co., Ltd. Manager, Power Quotient International Co., Ltd. Executive Assistant, PanRam Co., Ltd.	None	None	None	None	None
Director of business department	Taiwan	Yi-Min Li	Male	02/07/2022	11,084	0.02%	0	0	0	0	Bachelor's in Business Administration, Tamkang University Sr. Sales Manger, Flir Systems, APAC Sales Assistant VP, Pericom Taiwan Sales Manger, Infineon Technologies Taiwan	None	None	None	None	None

Title	Nationality	Name	Gender	Date elected (appointed)	Shares held		Shares held by spouse, minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions concurrently held in other companies	Manager with spouse or second degree of kinship			Remarks (Note 1)
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Director of research and development department	Taiwan	Chih-Yi Teng	Male	03/01/2010	240,250	0.35%	13,577	0.02%	0	0	Dept. of Electronic Engineering, Hwa Hsia College Factory director of Tai Tien Electric Co., Ltd.	Director of TAITIEN (Nanjing) Electronics Co., Ltd.	None	None	None	None
Director of research and development department	Taiwan	Cheng-Chia Fang	Male	08/01/2020	10,000	0.01%	0	0	0	0	Doctor of Electrical and Control Engineering at Chia Tung University Master's in Control Engineering at Chia Tung University Bachelor's in Systems and Naval Mechatronic Engineering, Cheng Kung University Deputy general manager, Opulence Co., Ltd. General manager of KUS Co., Ltd. CTO and COO of KING DAVID ENERGIES CORP.	None	None	None	None	None
Vice Director of research and development department	Taiwan	Chia-Lung Lin	Male	10/21/2024	0	0	0	0	0	0	Master, Institute of Applied Mechanics, National Taiwan University B.S., Department of Mechanical Engineering, National Taiwan University Head of R&D Department, OMVO TECHNOLOGY INC. Technical Manager, InnoLux Display Corporation	None	None	None	None	None
Audit head	Taiwan	Hui-Chin Wang	Female	07/13/2018	12,200	0.02%	0	0	0	0	Bachelor's in Industrial Engineering and Management, National Kaohsiung University of Science and Technology	None	None	None	None	None

Note 1: Where the Company's chairperson and the general manager or an officer of equivalent position (the most senior manager) are the same person, or spouses or consanguinity within the first degree to each other, the reason, rationality, necessity and countermeasures (e.g. to increase the number of independent directors and have the majority of directors not serving concurrently as an employee or a manager) shall be disclosed:

This company's Chairman, Sheng-Tai Song, and President, Justine Song, are first-degree relatives. The chairman and board of directors can enhance operational efficiency and decision-making capacity by engaging in comprehensive communication regarding the company's operations, plans, and so on. This, in turn, facilitates corporate governance.

Currently, the Company has the following concrete measures:

- 1) The majority of the members of the board of directors are not also employees or managers
- 2) The independent directors are able to adequately discuss and make recommendations for the board of directors' reference in each functional committee, thereby implementing corporate governance.
- 3) At the 9th board reelection, one independent director was added.

II. Remuneration of Directors, Independent Directors, Supervisors, President, and Vice Presidents

(I) 1. Remuneration of Directors and Independent Directors

Unit: NT\$ thousand ; December 31, 2024

Title	Name	Remuneration of Directors								Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note6)		Relevant Remuneration Received by Directors Who are Also Employees						Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%) (Note6)		Remuneration from ventures other than subsidiaries or from the parent company			
		Base Compensation (A)(Note1)		Severance Pay (B)		Directors Compensation(C) (Note2)		Allowances (D)(Note3)				Salary, Bonuses, and Allowances (E)(Note4)		Severance Pay (F)		Employee Compensation (G)(Note5)							
		The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company		All companies in the consolidated financial statements		The company	All companies in the consolidated financial statements				
Chairman	Sheng-Tai Song																						
Director	Justine Song																						
	Tien-Hao Wang	0	0	0	0	349	349	120	120	469	469	1,569	1,569	0	0	41	0	41	0	2,079	2,079	None	
	Teh-Chang Yao																						
	Bor-Ren Jeng																						
Independent Director	Hsiao-Ping Fan																						
	Yu-Tun Wu	0	0	0	0	261	261	100	100	361	361	0	0	0	0	0	0	0	0	361	361	None	
	Tung-Te Li																						
	Wan-Yuan Lin																						

1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration: To provide reasonable remuneration, the remuneration for the company's directors shall be handled according to the company's articles of incorporation, the operating results, the value of their participation in and contribution to the company's operations, and the general remuneration level from domestic peers.
 2. In addition to the above remuneration, director remuneration shall be disclosed as follows when received from companies included in the consolidated financial statements in the most recent year to compensate directors for their services, such as being independent contractors : None

Note 1: Refers to directors' remuneration in 2024 (including salaries, business allowances, severance pay, bonuses, and incentive benefits).

Note 2: Refers to the amount of directors' remuneration distributed by the board of directors. The proposed distribution amount for this year shall be calculated based on the proportion of the actual distribution amount in the previous year.

Note 3: Refers to the traveling expenses paid to directors in 2024.

Note 4: Refers to the salaries and bonuses received by directors and employees (including those concurrently serving as general manager, deputy general manager, other managers, and employees) in the most recent year.

Note 5: Refers to directors who concurrently serve as employees (including general manager, deputy general manager, other managers, and employees) who receive employee remuneration (including stock and cash), and the amount of employee remuneration distributed by the board of directors whereby the proposed distribution amount for this year is calculated in proportion to the actual distribution amount in the previous year.

Note 6: The post-tax net profit in 2024 was NT\$27,367 thousand.

* The content of remuneration as disclosed in this table is different from the concept under the Income Tax Act, which is for disclosure only and not for taxation purposes.

2. Range of Remuneration

Range of Remuneration	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements
Less than NT\$ 1,000,000	Sheng-Tai Song、Justine Song、Tien-Hao Wang、Teh-Chang Yao、Bor-Ren Jeng、Hsiao-Ping Fan、Yu-Tun Wu、Tung-Te Li、Wan-Yuan Lin		Sheng-Tai Song、Tien-Hao Wang、Teh-Chang Yao、Bor-Ren Jeng、Hsiao-Ping Fan、Yu-Tun Wu、Tung-Te Li、Wan-Yuan Lin	
NT\$1,000,000 ~ NT\$1,999,999	None	None	Justine Song	Justine Song
NT\$2,000,000 ~ NT\$3,499,999	None	None	None	None
NT\$3,500,000 ~ NT\$4,999,999	None	None	None	None
NT\$5,000,000 ~ NT\$9,999,999	None	None	None	None
NT\$10,000,000 ~ NT\$14,999,999	None	None	None	None
NT\$15,000,000 ~ NT\$29,999,999	None	None	None	None
NT\$30,000,000 ~ NT\$49,999,999	None	None	None	None
NT\$50,000,000 ~ NT\$99,999,999	None	None	None	None
Greater than or equal to NT\$100,000,000	None	None	None	None
Total	9	9	9	9

(II) Remuneration of Supervisors : An Audit Committee has been established to replace the Supervisors; therefore, it is not applicable.

(III) 1.Remuneration of the President and Vice Presidents

Unit: NT\$ thousand ; December 31, 2024

Title	Name	(註 1) Salary(A)(Note1)		Severance Pay (B)		Bonuses and Allowances (C)(Note2)		Employee Compensation (D)(Note3)				Ratio of total compensation (A+B+C+D) to net income (%) (Note4)		Remuneration from ventures other than subsidiaries or from the parent company
		The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
President	Sheng-Tai Song	4,670	6,902	0	0	1,332	1,332	231	0	231	0	6,233 22.78%	8,465 30.93%	None
Director of Operations	Yu-Feng Li													
Director of Production	Wen-Tseng Chih													
Deputy General Manager	Justine Song													
Deputy General Manager, Sales Department	Yu-Hsien Li													

Note 1:Refers to salaries for 2024.

Note 2:Refers to bonuses for 2024.

Note 3:Refers to the amount of employees' remuneration distributed by the board of directors. The proposed distribution amount for this year shall be calculated based on the proportion of the actual distribution amount in the previous year.

Note 4:The post-tax net profit in 2024 was NT\$27,367 thousand.

* The content of remuneration as disclosed in this table is different from the concept under the Income Tax Act, which is for disclosure only and not for taxation purposes.

2. Range of Remuneration

Range of Remuneration	Name of President and Vice Presidents	
	The company	The company
Less than NT\$ 1,000,000	Sheng-Tai Song 、 Wen-Tseng Chih	Sheng-Tai Song
NT\$1,000,000 ~ NT\$1,999,999	Justine Song 、 Yu-Hsien Li	Justine Song
NT\$2,000,000 ~ NT\$3,499,999	Yu-Feng Li	Yu-Feng Li 、 Wen-Tseng Chih 、 Yu-Hsien Li
NT\$3,500,000 ~ NT\$4,999,999	None	None
NT\$5,000,000 ~ NT\$9,999,999	None	None
NT\$10,000,000 ~ NT\$14,999,999	None	None
NT\$15,000,000 ~ NT\$29,999,999	None	None
NT\$30,000,000 ~ NT\$49,999,999	None	None
NT\$50,000,000 ~ NT\$99,999,999	None	None
Greater than or equal to NT\$100,000,000	None	None
Total	5	5

(IV) Managerial officers with the top five highest remuneration amounts in a TWSE/TPEX-listed company (disclose their names and remuneration method): Not applicable.

(V) Names of managers who received employee remuneration and the distribution status: :

Unit: NT\$ thousand ; December 31, 2024

	Title	Name	Employee Compensation - in Stock (Fair Market Value)	Employee Compensation - in Cash (Note1)	Total	Ratio of Total Amount to Net Income (%)(Note2)
Executive Officers	President	Sheng-Tai Song	0	442	442	1.62%
	Director of Operations	Yu-Feng Li				
	Director of Production	Wen-Tseng Chih				
	Deputy General Manage	Justine Song				
	Deputy General Manager, Sales Department	Yu-Hsien Li				
	Associate of Finance and Accounting	Li-Chu Yang				
	Director of research and development department	Chih-Yi Teng				
	Director of business department	Chun-Lung Huang				
	Director of research and development department	Cheng-Chia Fang				
	Director of business department	Yi-Min Li				
	Vice Director of research and development department	Chia-Lung Lin				

Note1: This refers to the proposed amount of employee remuneration approved by the board of director for distribution (including shares and cash), which is calculated based on the actual distributed amount in the previous year.

Note 2: The post-tax net profit in 2024 was NT\$27,367 thousand.

Note 3: newly appointed on October 21, 2024

(VI) Comparison of Remuneration for Directors, Supervisors, President and Vice Presidents in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, Supervisors, President and Vice Presidents :

I. Remuneration Analysis for Directors, Supervisors, Presidents, and Vice Presidents :

Unit: NT\$ thousand

	2024				2023			
	Remuneration		Ratio of Total Amount to Net Income (%) (Note3)		Remuneration		Ratio of Total Amount to Net Income (%) (Note3)	
	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements
Directors	2,440 (Note 1)	2,440 (Note 1)	8.92	8.92	3,948	3,948	4.48	4.48
President and vice presidents (Note 4)	6,233 (Note 2)	8,465 (Note 2)	22.78	30.93	6,279	8,470	7.12	9.61

Note 1: It is the amount of director remuneration to be distributed following board approval. The amount distributed this year is calculated using the actual distributed amount from the prior year. The amounts to be awarded this year for transportation fees for the board of directors and part-time staff, bonuses, pension, and remuneration distributed to employees upon board approval are calculated using the previous year's distribution ratios.

Note 2: Refers to the 2024 annual salary, bonus, retirement pension, and employee remuneration distribution approved by the board of directors. The proposed distribution amount for this year shall be calculated according to the actual distribution amount of the previous year.

Note 3: The net loss after tax in 2024 was NT\$27,367 thousand. The net profit after tax in 2023 was NT\$88,176 thousand.

Note 4: Including the president, chief operating officer, manufacturing director, and vice president.

II. Correlation between remuneration payment policies, standards, and combinations; remuneration setting procedures; business performance and future risks:

The board of directors shall be authorized to determine the directors' remuneration based on the individual's contribution, the level of involvement in the company's operations, and the industry-wide peer compensation standards.

The remuneration shall be within the upper limit of the fixed ratio specified in the articles of incorporation, and shall be allocated based on the operating performance surplus.

III. Implementation of Corporate Governance

(I) Operations of the Board of Directors :

1. A total of 5 (A) meetings of the Board of Directors were held in the previous period (2024). The attendance of director and supervisor were as follows:

December 31, 2024

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【 B / A 】	Remarks
Chairman	Sheng-Tai Song	5	0	100.00%	None
Director	Justine Song	5	0	100.00%	None
	Tien-Hao Wang	5	0	100.00%	None
	Teh-Chang Yao	5	0	100.00%	None
	Bor-Ren Jeng	4	0	80.00%	None
Independent director	Hsiao-Ping Fan	5	0	100.00%	None
	Yu-Tun Wu	5	0	100.00%	None
	Tung-Te Li	5	0	100.00%	None
	Wan-Yuan Lin	5	0	100.00%	None

The attendance status of independent directors and the board of directors for 2024.

★: attended personally ※ : attend by proxy #: did not attend

2024	Mar.14	May.03	Aug.08	Nov.07	Dec.24
Hsiao-Ping Fan	★	★	★	★	★
Yu-Tun Wu	★	★	★	★	★
Tung-Te Li	★	★	★	★	★
Wan-Yuan Lin	★	★	★	★	★

2. Other mentionable items:

(1) If any of the following circumstances occur,, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response should be specified :

(A)Matters referred to in Article 14-3 of the Securities and Exchange Act : Not applicable ,The company has established an audit committee, and Article 14-3 of the Securities Exchange Act shall not apply. Please refer to the "Audit Committee Operation Status" part of the annual report for relevant information.

(B)Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the board of directors. : None ◦

(2) Conflict of interest director recusal implement status: If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified:

NO.	Agenda and Recusal Implementation Status
1	<p>Meeting Date of Board of Directors: May 3, 2024</p> <p>Motion: Motion for acquisition of real property land from the related party</p> <p>Directors who recused themselves from the discussion/voting: Chairperson Sheng-Tai Sung, Director Chia-Hsin Sung</p> <p>Reason for recusal and participation in voting: In accordance with Article 206 of the Company Act and Article 16, Paragraph 1 of the Regulations Governing Board of Directors Meetings of Public Companies, since this matter involves interests related to Chairman Sheng-Tai Sung and Director Chia-Hsin Sung, they are required to disclose the material aspects of their interests in this meeting and recuse themselves from deliberation and voting on this matter. Furthermore, Chairman Sheng-Tai Sung designated Director Tien-Hao Wang to serve as the chairperson for the deliberation and voting on this matter.</p> <p>Except for the directors who recused themselves from the discussion and voting of this motion for conflicts of interest, the motion was passed by all other directors attending the meeting without objections upon inquiry by chairperson.</p>
2	<p>Meeting Date of Board of Directors: August 8, 2024</p> <p>Motion: Motion for first distribution of employee remuneration to managers in 2023</p> <p>Directors who recused themselves from the discussion/voting: Chairperson Sheng-Tai Sung, Director Chia-Hsin Sung</p> <p>Reason for recusal and participation in voting: In accordance with Article 206 of the Company Act and Article 16, Paragraph 1 of the Regulations Governing Board of Directors Meetings of Public Companies, as this matter involves interests related to Chairman Sheng-Tai Sung and Director Chia-Hsin Sung, they are required to disclose the material aspects of their interests in this meeting and recuse themselves from deliberation and voting on this matter. Furthermore, Chairman Sheng-Tai Sung designated Director Te-Chang Yao to act as the chairperson for the deliberation and voting on this matter.</p> <p>Except for the directors who recused themselves from the discussion and voting of this motion for conflicts of interest, the motion was passed by all other directors attending the meeting upon inquiry by chairperson.</p>
3	<p>Meeting Date of Board of Directors: December 24, 2024</p> <p>Motion: Motion for second distribution of employee remuneration to managers in 2023 and distribution of 2024 year-end bonus for managers</p> <p>Director recused for conflict of interest: Director Chia-Hsin Sung</p> <p>Reason for recusal and participation in voting: In accordance with Article 206 of the Company Act and Article 16, Paragraph 1 of the Regulations Governing Board of Directors Meetings of Public Companies, as this matter involves interests related to Director Chia-Hsin Sung who is required to disclose the material aspects of her interests in this meeting and recuse herself from deliberation and voting on this matter.</p> <p>Except for the directors who recused themselves from the discussion and voting of this motion for conflicts of interest, the motion was passed by all other directors attending the meeting upon inquiry by chairperson.</p>
4	<p>Meeting Date of Board of Directors: December 24, 2024</p> <p>Motion: Motion for distribution of Lunar New Year bonuses to managers</p> <p>Director recused for conflict of interest: Director Chia-Hsin Sung</p> <p>Reason for recusal and participation in voting: In accordance with Article 206 of the Company Act and Article 16, Paragraph 1 of the Regulations Governing Board of Directors Meetings of Public Companies, as this matter involves interests related to Director Chia-Hsin Sung who is required to disclose the material aspects of her interests in this meeting and recuse herself from deliberation and voting on this matter.</p> <p>Except for the directors who recused themselves from the discussion and voting of this motion for conflicts of interest, the motion was passed by all other directors attending the meeting without objections upon inquiry by chairperson.</p>

(3) Board of directors' performance evaluation implementation status :

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation aspect
Annual	January 1, 2024– December 31, 2024	Performance evaluation of the board of directors	Internal self-evaluation of the board of directors	<p>(1) Participation in the operation of the company: There are 12 indicators, and the evaluation result is 4.73 (excellent)</p> <p>(2) Improvement of the quality of the board of directors' decision making: There are 12 indicators, and the evaluation result is 4.68 (excellent)</p> <p>(3) Composition and structure of the board of directors: There are 7 indicators, and the evaluation result is 4.83 (excellent)</p> <p>(4) Election of the directors and their continuing professional education: There are 7 indicators, and the evaluation result is 4.65 (excellent)</p> <p>(5) Internal control: There are 7 indicators, and the evaluation result is 4.67 (excellent).</p>
Annual	January 1, 2024– December 31, 2024	Performance evaluation of individual board members	Self-evaluation of the board members	<p>(1) Grasp of the company's goals and missions: here are 3 indicators, and the evaluation result is 4.67 (excellent).</p> <p>(2) Recognition of director's duties: There are 3 indicators, and the evaluation result is 5.00 (excellent).</p> <p>(3) Degree of participation in the company's operations: There are 8 indicators, and the evaluation result is 4.75 (excellent).</p> <p>(4) Management of internal relationships and communication: There are 3 indicators, and the evaluation result is 4.81 (excellent).</p> <p>(5) Professionalism and continuing professional education: There are 3 indicators, and the evaluation result is 4.96 (excellent).</p> <p>(6) Internal control: There are 3 indicators, and the evaluation result is 4.85 (excellent).</p>
Annual	January 1, 2024– December 31, 2024	Functional committee's performance evaluation	Audit committee's performance self-evaluation	<p>(1) Degree of participation in the company's operations: There are 4 indicators, and the evaluation result is 5.00 (excellent).</p> <p>(2) Recognition of the duties of the functional committee: There are 8 indicators, and the evaluation result is 4.85 (excellent).</p> <p>(3) Improvement in the quality of decision making by the functional committee: There are 7 indicators, and the evaluation result is 4.86 (excellent).</p> <p>(4) Composition of the functional committees, and election and appointment of committee members: There are 4 indicators, and the evaluation result is 4.75 (excellent).</p> <p>(5) Internal control: There are 3 indicators, and the evaluation result is 4.75 (excellent).</p>

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation aspect
Annual	January 1, 2024–December 31, 2024	Functional committee's performance evaluation	Remuneration committee's performance self-evaluation	(1) Degree of participation in the company's operations: There are 4 indicators, and the evaluation result is 4.83 (excellent). (2) Recognition of the duties of the functional committee: There are 8 indicators, and the evaluation result is 4.96 (excellent). (3) Improvement in the quality of decision making by the functional committee: There are 7 indicators, and the evaluation result is 5.00 (excellent). (4) Composition of the functional committees, and election and appointment of committee members: There are 4 indicators, and the evaluation result is 4.92 (excellent). (5) Internal control: There are 3 indicators, and the evaluation result is 5.00 (excellent).

(4) Objectives (e.g. forming an audit committee, improving information transparency) to enhance Board functions during the most recent fiscal year and evaluation of the implementation:

- (A) The Company's first Audit Committee was formally established on June 19, 2020, consisting of three independent directors. After the re-election at the shareholders' meeting on June 16, 2023, one independent director was added. Currently, the second Audit Committee consists of four independent directors, including Independent Directors Hsiao-Ping Fan, Yu-Tun Wu, Tung-Te Li, and Wan-Yuan Lin, serve as committee members. Independent Director Hsiao-Ping Fan was elected as the convener and chair of the Audit Committee. For the composition and operation of the Committee, please refer to page 26.
- (B) The Company's first Remuneration Committee was formally established on December 28, 2011, and on June 16, 2023, the Board of Directors resolved to appoint the three independent directors: Hsiao-Ping Fan, Yu-Tun Wu, and Tung-Te Li, as members of the Committee. Independent Director Yu-Tun Wu served as the convener and chair of the Remuneration Committee. For the composition and operation of the Committee, please refer to page 38.
- (C) Directors and supervisors are encouraged to further their studies, and the company has regularly arranged the relevant courses for directors and supervisors every year to strengthen the functions of the board of directors.
- (D) The company upholds operation transparency and attaches importance to the shareholders' rights and interests. After a board meeting, major resolutions by the board of directors' resolutions are placed on the company's website. The company has also established the "Corporate Governance Best-Practice Principles," "Major Internal Information Processing Procedures," "Code of Ethical Conduct," "Rules on the Scope of Duties for Independent Directors," etc., and placed them on the company's website for directors, supervisors, managers, and employees to follow.

(E)The company received “A” ratings during the 8th, 9th, and 10th “Information Disclosure and Transparency Ranking System” evaluations in 2011, 2012, and 2013; and received “A+” ratings during the 11th and 12th “Information Disclosure and Transparency Ranking System” evaluations in 2014 and 2015. The 1st and 2nd Corporate Governance Evaluations results ranked the company among the top 6% to 20% of all other companies.

(F)Completed the CSR Reports of 2011, 2013, 2015, 2017, 2019 and the Sustainability Reports of 2021 and 2023 to strengthen disclosure of corporate social and sustainable development responsibilities.

(II) Operations of the Audit Committee (or Attendance of Supervisors at Board Meetings)

1. Operations of the Audit Committee:

※ A total of 5 (A) Audit Committee meetings were held in the previous period (2024). The attendance of the independent directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【 B / A 】	Remarks
Independent director	Hsiao-Ping Fan	5	0	100.00%	None
	Yu-Tun Wu	5	0	100.00%	None
	Tung-Te Li	5	0	100.00%	None
	Wan-Yuan Lin	5	0	100.00%	None

※ The attendance status of independent directors and the Audit Committee for 2024.

【★: attended personally ※: attend by proxy #: did not attend】

2024	Mar.14	May.03	Aug.08	Nov.07	Dec.24
Hsiao-Ping Fan	★	★	★	★	★
Yu-Tun Wu	★	★	★	★	★
Tung-Te Li	★	★	★	★	★
Wan-Yuan Lin	★	★	★	★	★

※ Other mentionable items:

(1) If any of the following circumstances occur, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company’s response to the Audit Committee’s opinion should be specified:

(A)Matters referred to in Article 14-5 of the Securities and Exchange Act:

Board of Directors Meeting Date	Agenda and Subsequent Handling	Issues listed in Article 14-5 of the Securities Exchange Act	Contents of Dissenting Opinions, Reservations, or Major Recommendations by Independent Directors
1st session in 2024 2024/03/14	Motion for 2023 Financial Statements	V	None
	2023 Statement of Internal Control System	V	None
	Motion for 2023 Earnings distribution	V	None
	Motion for cash distribution from capital reserve	V	None
	Motion for amendments to the “Internal Control System” and “Internal Audit System”	V	None
	Motion for replacement of CPAs	V	None
	Motion for assessment of the suitability and independence of CPAs	V	None
	Motion to propose the amendments to some articles of “Rules of Procedure for Board of Directors Meetings.”	V	None
	<p>Audit Committee resolution result (2024/03/14): The matter was put before all board members present at the meeting and passed unanimously.</p> <p>Response of the company to the opinions of the Auditing Committee: All attending directors agreed to approve the amendment proposal with unanimous consent.</p>		
2nd session in 2024 2024/05/03	Motion for Q1 2024 consolidated financial report	V	None
	Motion for cash distribution from capital reserve	V	None
	Motion to propose the amendments to some articles of “Procedures for Handling Internal Material Information.”	V	None
	Motion to propose the amendments to the Company’s “Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities.”	V	None
	Motion to propose the acquisition of real property land from related party	V	None
	<p>Audit Committee resolution result (2024/05/03): The matter was put before all board members present at the meeting and passed unanimously.</p> <p>Response of the company to the opinions of the Auditing Committee: All attending directors agreed to approve the amendment proposal with unanimous consent.</p>		

Board of Directors Meeting Date	Agenda and Subsequent Handling	Issues listed in Article 14-5 of the Securities Exchange Act	Contents of Dissenting Opinions, Reservations, or Major Recommendations by Independent Directors
3rd session in 2024 2024/08/08	Motion for Q2 2024 consolidated financial report	V	None
	Motion for bank credit line renewal	V	None
	Motion for subsidiary endorsements/guarantees	V	None
	Audit Committee resolution result (2024/08/08): The matter was put before all board members present at the meeting and passed unanimously. Response of the company to the opinions of the Auditing Committee: All attending directors agreed to approve the amendment proposal with unanimous consent.		
4th session in 2024 2024/11/07	Motion for Q3 2024 consolidated financial report	V	None
	Audit Committee resolution result (2024/11/07): The matter was put before all board members present at the meeting and passed unanimously. Response of the company to the opinions of the Auditing Committee: All attending directors agreed to approve the amendment proposal with unanimous consent.		
5th session in 2024 2024/12/24	Motion for amendments to the “Internal Control System” and “Internal Audit System”	V	None
	Motion for bank credit line renewal	V	None
	Audit Committee resolution result (2024/12/24): The matter was put before all board members present at the meeting and passed unanimously. Response of the company to the opinions of the Auditing Committee: All attending directors agreed to approve the amendment proposal with unanimous consent.		

(B) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors: None.

- (2) If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None.
- (3) Communications between the independent directors, the Company's chief internal auditor and CPAs (e.g. the material items, methods and results of audits of corporate finance or operations, etc.):

3.1 Communication Policy for Independent Director and Head of Internal Audit

- (1) The independent directors and the internal audit officer hold a meeting at least once a quarter to discuss the issues regarding the main inspection opinions of the internal and external audits of the Company.
- (2) The company's audit committee comprises all independent directors. The internal audit supervisor shall report to the audit committee at least once a quarter regarding the audit operation implementation status. The contents shall include audit execution progress, major internal and external audit review or inspection opinions, and their improvement status. Meetings may be called at any time in case of major abnormalities.

3.2 Summary of previous communications between the independent directors and the head of the internal audit:

Date	Communication Matters	Communication Results
03/14/2024	Report on audit results of Q4 2023	After discussion and communication, the independent directors had no objection to the audit report.
04/29/2024	Understanding and discussion of the internal control procedures for the acquisition of assets	Reminder by independent directors on internal control key points for asset acquisition
05/03/2024	Report on audit results of Q1 2024	After discussion and communication, the independent directors had no objection to the GHG inventory and verification schedule
07/29/2024	Understanding and discussing the manufacturing critical factors and quality improvement implementation.	Highlights of the key factors affecting the product as guided by the independent directors.
08/08/2024	Report on audit results of Q2 2024	After discussion and communication, the independent directors had no objection to the audit operation implementation results report.
11/07/2024	Report on audit results of Q3 2024	After discussion and communication, the independent directors had no objection to the carbon inventory progress.
12/24/2024	Implementation status and understanding of quality Indicator management	Key points of the quality indicator management as directed by the independent directors.

3.3 Communication policy for independent directors and head of the internal audit:

Independent directors and the CPA shall hold seminars as required, and the financial report audit results and findings shall be reported to the independent directors.

3.4 Summary of previous communications between independent directors and CPA:

Date	Communication Matters	Communication Results
03/14/2024	Report on 2023 audit results.	After discussion and communication, the independent directors had no objection to the audit report.
12/24/2024	The 2024 key points of the audit and the issues of governance communication.	After discussion and communication, the independent directors had no objection.

2. Summary of the Audit Committee's annual work priorities:

The purpose of the Audit Committee is to assist the board of directors in supervising the quality and integrity of the company's accounting, auditing, financial reporting, and financial control processes.

※ Matters considered by the Audit Committee primarily include:

- (1) Financial statement audit as well as accounting policies and procedures
- (2) Internal control system as well as related policies and procedures
- (3) Major transactions on assets or derivative products
- (4) Endorsements or guarantees provided
- (5) Securities issued or raised
- (6) Derivative financial products and cash investment status
- (7) Legal compliance
- (8) Whether the managers and directors have engaged in related party transactions and the possible conflicts of interest
- (9) Complaint reports
- (10) Fraud prevention programs and fraud investigation reports
- (11) Information security
- (12) Company risk management
- (13) CPA qualification, impartiality, and performance appraisal
- (14) The hiring or dismissal of a CPA or the compensation given thereto
- (15) The appointment or discharge of a financial, accounting, or internal auditing officer
- (16) Audit Committee operation status
- (17) Audit committee performance self-evaluation questionnaire

※ Evaluate the performance of the internal control system

The Audit Committee shall assess the performance of the company's internal control system policies and procedures (including financial, operational, risk management, information security, outsourcing, and legal compliance), review the company's audit department and certified accountants, and evaluate the management's regular documents such as management and compliance reports. After referencing the Internal Control-Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in 2013, the Audit Committee believes that the company's risk management and internal control are effective and

the company has adopted the necessary control mechanisms to monitor and correct violations.

※ Review Financial Reports

Among the business reports, financial statements, and profit distribution proposals prepared by the board of directors, the financial statements and consolidated financial statements were audited by the CPA of Deloitte Taiwan, and an audit report was issued. The Audit Committee has audited the preceding business reports, financial statements, and surplus distribution proposals, and no inconsistency was found.

3. Professional qualifications and experience of the Audit Committee members:

Title	Name	Professional qualification	Experience
Independent director	Hsiao-Ping Fan	Master's in Accounting, Taiwan University Bachelor's in Commerce (Program of Accounting), Taiwan University The director has passed the national CPA exam and has received a license	Former position: 1. Chartered account, Deloitte Taiwan Current position: 1. Chartered Accountant, Top New & Co., CPAs 2. Consultant of Taiwan Economic Journal Co., Ltd
Independent director	Yu-Tun Wu	Bachelor's in Electrical Engineering, National Taiwan University of Science and Technology	Former position: 1. Executive deputy general manager and General manager, 3C Solution Provider Co., Ltd. 2. Senior Engineer, IBM 3. Research Assistant, National Chung-Shan Institute of Science and Technology Current position: 1. Director, Vice Chairperson of 3C Solution Provider Co., Ltd.
Independent director	Tung-Te Li	Master's in Tech Administration National Chiao Tung University Bachelor's in Electrophysics, National Chiao Tung University	Former position: 1. Director, TAITIEN Electronics Co., Ltd. (dismissed on January 10, 2014) 2. General manager and director of operations, USA region; deputy general manager of research and development department and sales department of TAITIEN Electronics Co., Ltd.
Independent director	Wan-Yuan Lin	In-service Master's Program, Division of International Business Administration, National Taiwan University Bachelor, Department of Accounting, National Cheng Kung University	Former position: CFO and Vice President, Apacer Technology Inc. Current position: Person in charge, DF Advertising CO., LTD.

4. Attendance of Supervisors at Board Meetings : Not applicable because an audit committee has been set up to replace the supervisor.

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

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Summary Description	
I. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	V		I. The company has established the “Corporate Governance Best-Practice Principles” to protect the rights and interests of shareholders, strengthen the functions of the board of directors, respect the rights and interests of stakeholders, and improve information transparency. The Principles are also disclosed on the company’s website.	None
II. Shareholding structure & shareholders’ rights (I) Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure? (II) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares? (III) Does the company establish and execute the risk management and firewall system within its conglomerate structure? (IV) Does the company establish internal rules against insiders trading with undisclosed information?	V		II. (I) The company has established spokespersons, acting spokespersons, and stock affairs units to deal with shareholders’ suggestions or disputes and set up a dedicated mailbox to accept shareholders’ suggestions. (II) The professional stock agency in charge has established dedicated personnel to handle related matters and can grasp the list of major shareholders with actual control over the company. (III) It has been embedded into the internal control system, and the management operations of the subsidiary have been established. (IV) The “Corporate Governance Best-Practice Principles” has been formulated to prohibit company insiders from using unpublished information on the market to buy or sell securities. The Principles are also disclosed on the company’s website.	None
III. Composition and Responsibilities of the Board of Directors (I) Does the Board develop and implement a diversified policy for the composition of its members?	V		III. (I) The company’s board of directors is diversified, and the directors have different professional backgrounds, genders, and work fields to improve the company’s board of directors structure. Please refer to the “diversity and independence of the board of directors” (page 10) in this annual report for diversity-related policies and information.	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	YES	NO	Summary Description	
<p>(II) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?</p> <p>(III) Does the company establish a standard to measure the performance of the Board and implement it annually, and are performance evaluation results submitted to the Board of Directors and referenced when determining the remuneration of individual directors and nominations for reelection?</p> <p>(IV) Does the company regularly evaluate the independence of CPAs?</p>	v		<p>(II) The company has established a Remuneration Committee, an Audit Committee, and four independent directors, but has not established a Nomination Committee or other functional committees.</p> <p>(III) The company passed the "Board Performance Evaluation Method" on 2020/11/10 to improve the function of the board of directors. The internal performance evaluation of the board of directors shall be executed at least once a year and be completed before the end of the first quarter of the following year. The company had completed the 2024 board of directors performance evaluation before the first quarter of 2025 and submitted the performance evaluation results to be reported in the 2025/03/13 board of directors report.</p> <p>(IV) The company shall evaluate the independence and suitability of CPAs at least once a year. In the most recent year, the company evaluated CPA Sheng-Tai Liang and CPA Sandra Chen and found that they met all independent assessment standards (Note 2). The evaluation results shall be submitted to the board of directors meeting on 2025/03/13 for resolution and approval.</p>	None
<p>IV. Does the company appoint a suitable number of competent personnel and a supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the board of directors and the shareholders' meetings, and producing minutes of board meetings and shareholders' meetings)?</p>	v		<p>IV. The company's corporate governance-related affairs are undertaken by the Corporate Governance Officer and supervised by the President.</p>	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	YES	NO	Summary Description	
V. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	V		V. The company has established spokespersons and acting spokespersons and set up a special area on the company website as a communication channel for stakeholders to leave their suggestions and contact information.	None
VI. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	V		VI. The company has appointed a professional share registration and investors service agent for handling the shareholders' meeting-related matters.	None
VII. Information Disclosure (I) Does the company have a corporate website to disclose both financial standings and the status of corporate governance? (II) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)? (III) Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?	V		VII. (I) The company has disclosed its general status, corporate governance, and financial operation on its website. (II) The company has appointed a designated person responsible for disclosing its major information, entered information into the Market Observation Post System regularly, and disclosed it on its website. The company has appointed a spokesperson and an acting spokesperson, and disclosed their contact information on the company website according to the regulations. The company convened juridical person briefing sessions when necessary and disclosed the relevant information on the company website. (III) The company announces and files its annual financial report within 3 months after the end of each fiscal year according to laws and regulations. It also announces and applies for the 1st, 2nd, and 3rd quarter financial reports as well as the operating conditions of each month within the prescribed deadline.	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	YES	NO	Summary Description	
VIII. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	V		<p>(I) Employee rights and care: Please refer to the "Labor-Management Relations" segment in this annual report (page 98).</p> <p>(II) Investor relations: The company has disclosed company information truthfully according to the laws and regulations to protect the rights and interests of investors and stakeholders and fulfill the responsibilities to its shareholders.</p> <p>(III) Supplier relationship, stakeholders' rights, and customer policy implementation status: The company has established smooth communication channels and relations with suppliers and customers, strictly complied with the contracts and related regulations signed with customers to ensure their relevant rights and interests are protected and good service quality is provided.</p> <p>(IV) Training status for directors and supervisors: The company has actively arranged for directors to participate in advanced training. Please refer to the directors' and supervisors' education and training list (page 12).</p> <p>(V) The directors' conflict of interest recusal implementation status: The company directors adhere to the principle of high self-discipline and are not allowed to vote if they have conflicts of interest relating to board of directors' resolutions.</p> <p>(VI) Implementation status for risk management policies and risk measurement standards: Please refer to the "Other Important Risks and Response Measures" segment (page 107) of this report. Moreover, the company has formulated "Risk Management Regulations" and passed the board of directors' resolutions.</p> <p>(VII) Circumstances in which the company purchases liability insurance for directors and supervisors: The company has purchased liability insurance for directors, with the insured amount being US\$5 million.</p> <p>(VIII) The president, vice presidents, financial and accounting supervisors, and audit supervisors have participated in further education and training related to corporate governance: (Note 1)</p>	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	YES	NO	Summary Description	
IX. Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures.				
(I) Improvement status for 2023 corporate governance evaluation results: It shall be disclosed after continuous improvement.				
(II) Priorities and measures set for those who have not yet improved:				
(1) Are the stakeholders' identities identified, and are the issues of concern, channels of communication, and responding methods disclosed on the company website? They shall be disclosed after research and formulation.				
(2) Has the company established a reporting system whereby the unlawful (such as corruption), and unethical behaviors by the company's external and internal staff are disclosed on the company website in detail ? It shall be disclosed after research and formulation.				

Note 1:

Title	Name	Training date		Organizer	Training name	Training hour
		Commencement	Expiration			
President	Sheng-Tai Song	10/25/2024	10/25/2024	The Securities & Futures Institute	How Enterprises Should Conduct International Tax Layout and Investment	3.0
		11/14/2024	11/14/2024		Technical Development and Application Opportunities of ChatGPT	3.0
Associate of Finance and Accounting	Li-Chu Yang	12/16/2024	12/17/2024	Accounting Research and Development Foundation	Continuing training courses for accounting executives of issuers, securities firms and stock exchanges	12.0
Corporate Governance Officer	Li-Chu Yang	08/09/2023	08/09/2023	Taipei Exchange	Dissemination seminar for TPEX listed and primary TPEX listed companies' insiders' equity	3.0
		07/13/2024	07/13/2024	Taipei Exchange and Taiwan Stock Exchange	Promotional Conference on Sustainable Development Action Plans for TAIEX and OTC-Listed Companies	3.0
		04/18/2024	04/19/2024	Accounting Research and Development Foundation	Continuing training courses for accounting executives of issuers, securities firms and stock exchanges	12.0
Audit head	Hui-Chin Wang	06/15/2024	06/15/2024	The Institute of Internal Auditors-Chinese	Essential ChatGPT techniques for internal auditors	6.0
		07/04/2024	07/04/2024		Practice Seminar on "Internal Audit Digital Transformation"	6.0

Note 2: CPA Independence Evaluation Table

Item	Evaluation Index	Yes	No
1	The term of the CPA has not exceeded 7 years	√	
2	Have the audit service team members, other co-practicing CPAs, or shareholders of corporate accounting firms, accounting firms, companies affiliated with the firm, and alliance firms also maintained independence from the company?	√	
3	The CPA and members of the audit service team have not served as directors, supervisors, managers, audit clients, or positions that have a significant impact on audit cases at present or in the past two years.	√	
4	There is no family relationship between the CPA and members of the audit service team with the company's directors, managers, or personnel with positions that significantly impact audit cases.	√	
5	The CPA has not served as a director, supervisor, manager, or position that significantly impacts audit cases within one year after leaving the company.	√	
6	The CPA has no direct or indirect material financial interest relationship with the company.	√	
7	The CPA's accounting firm does not rely too much on the remuneration source from a single client (the company).	√	
8	The CPA has no significant and close commercial relationship with the company.	√	
9	There is no potential employment relationship between the CPA and the company.	√	
10	The CPA is not related to the audit case or its public expenses.	√	
11	The CPA does not directly impact the important audit case items for the non-audit services provided by the company.	√	
12	The CPA does not represent the company in legal defense cases or other disputes with third parties.	√	
13	The CPA does not promote or act as an intermediary for the stocks or other securities issued by the company.	√	
14	The CPA has not accepted gifts or special offers of great value from the company, its directors, supervisors, managers, or major shareholders.	√	
15	The CPA or members of the audit services team did not manage money on behalf of the company.	√	
16	Pursuant to Article 29 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, the Company shall evaluate the independence and suitability of the appointed CPAs with reference to the Audit Quality Indicators (AQIs) on a regular basis (at least once a year).	√	

(IV) If the company has established a Remuneration Committee or Nomination Committee, please disclose its composition, responsibilities, and operating status:

1. Salary Remuneration Committee Member Information

April 12, 2025

Identity	Name	Condition	Professional Qualifications and Experience	Independence Status	The number of public companies where the person also holds positions in their remuneration committees.
Independent Director (Convener)	Yu-Tun Wu	Please refer to pages 4 to 8 of this annual report for "Director and Supervisor Information" related contents.	Please refer to page 10 of this annual report for "Director Diversification and Independence" related contents.	0	
Independent Director	Hsiao-Ping Fan			0	
Independent Director	Tung-Te Li			0	

2. Salary Remuneration Committee Operating Status Information

- (1) The company's Remuneration Committee has three members, all of which are independent directors.
- (2) Current term of office: June 16, 2023, to June 15, 2026.
- (3) In the most recent year (2024), the Remuneration Committee met three times (A), and the qualifications and attendance status of the committee members are as follows:

Title	Name	No. of actual attendance (B)	No. of attendance by proxy	Actual attendance rate (%) (B/A) (note)	Remarks
Convener	Yu-Tun Wu	3	0	100.00%	None
Committee members	Hsiao-Ping Fan	3	0	100.00%	None
Committee members	Tung-Te Li	3	0	100.00%	None

- (4) The proposal contents and resolution results of the Remuneration Committee and how the company handled the opinions of the Remuneration Committee in the most recent year (2024):

Remuneration Committee	Agenda and Subsequent Handling	Resolution	The company's handling of the Remuneration Committee's opinions.
1st session in 2024 2024/03/14	(1) Motion for total distribution of 2023 remuneration to directors and employees	Agreed and Passed by All Members of the Committee	Passed with the unanimous consent of all attending board directors.
2nd session in 2024 2024/08/08	(1) Motion for 2023 distribution of remuneration to directors (2) Motion for first distribution of employee remuneration to managers in 2023	Agreed and Passed by All Members of the Committee	Passed with the unanimous consent of all attending board directors.

3rd session in 2024 2024/12/24	(1) Motion for 2025 remuneration to insider (2) Motion for second distribution of employee remuneration to managers in 2023 and distribution of 2024 year-end bonus for managers (3) Motion for distribution of 2024 Lunar New Year bonuses to managers	Agreed and Passed by All Members of the Committee	Passed with the unanimous consent of all attending board directors.
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(5) Other matters to be recorded:

(A) If the board of directors does not adopt or amend the Remuneration Committee's recommendations, the date of the board of directors meeting, the period, the content of the proposal, the results of the board of directors' resolutions, and the company's handling of the Remuneration Committee's opinions must be noted: None.

(B) For the Remuneration Committee's resolutions, if members have objections or reservations and made records or written statements; the Remuneration Committee's meeting date, period, proposal content, all members' opinions, and the company's handling of the Remuneration Committee's opinions must be noted: None.

(6) As of the publication date of the annual report in 2025, the Remuneration Committee has held 1 meetings (A). The qualifications and attendance of the members are as follows:

Title	Name	No. of actual attendance (B)	No. of attendance by proxy	Actual attendance rate (%) (B/A) (note)	Remarks
Convener	Yu-Tun Wu	1	0	100.00%	None
Committee members	Hsiao-Ping Fan	1	0	100.00%	None
Committee members	Tung-Te Li	1	0	100.00%	None

(7) As of the publication date of the annual report in 2025, the Remuneration Committee's proposal and resolution contents and the company's handling of the Remuneration Committee's opinions are as follows:

Remuneration Committee	Agenda and Subsequent Handling	Resolution	The company's handling of the Remuneration Committee's opinions.
1st session in 2025 2025/03/13	(1) Motion for total distribution of 2024 remuneration to directors and employees	Agreed and Passed by All Members of the Committee	Passed with the unanimous consent of all attending board directors.

3. Scope of authority for the Remuneration Committee:

The Committee shall exercise the care of a good administrator in faithfully

performing its official powers listed below and submit its recommendations for deliberation by the board of directors. However, proposals on supervisors' salaries shall be submitted to the board of directors for discussion only if the supervisors' salaries are stipulated in the company's articles of incorporation or the shareholders' meeting has passed a resolution to authorize the board of directors to handle the matter:

- I. Review the Charter regularly and propose amendment recommendations.
- II. Establish and regularly review the company's directors, supervisors, and managers' annual and long-term performance targets as well as remuneration policies, systems, standards, and structures.
- III. Regularly assess the performance target achievements of the company's directors, supervisors, and managers; and set the content and amount of their remuneration.

4. Information on members and operations of the nomination committee: The company has not established a nomination committee.

(V) Sustainable Development Implementation Status and Reasons for Deviation from the “Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies”:

Implementation Items	Execution Status			Reasons for Deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
I. Has the company established a governance structure to promote sustainable development and set up a dedicated (part-time) unit to promote sustainable development? Has the board of directors authorized senior management to handle the matter, and what is the board of directors’ supervision status?	V		<p>I. The Company established its ESG Committee in November 2022 with the following structure and duties: (Concurrently served by personnel from relevant units and approved by the Board of Directors)</p> <p>(I) Responsibilities:</p> <ol style="list-style-type: none"> 1. Establishment of sustainable development policies 2. Promotion and supervision of work goals and promotion of related training 3. Confirmation of the issuance of ESG report. <p>(II) Organizational structure: ESG teams (environmental team, social team, and corporate governance team) have been set up to carry out their own responsibilities and supervise the tracking of work objectives, implementation and results of each project.</p> <p>II. Starting in 2024, ESG Committee members will regularly report the implementation results to the Board of Directors, to facilitate the supervision of the Board of Directors: GHG report: Once per quarter. Report of ESG implementation results: Once a year.</p>	None
II. Has the company conducted risk assessments of environmental, social, and corporate governance issues about company operations according to the materiality principle and established the relevant risk management policy or strategy?	V		<p>II. The company complies with the sustainable development policy of “integrity governance,” “people-oriented,” “Green Enterprise, and “Social Co-Prosperity.” and continues to implement it in accordance with relevant norms to implement the sustainable development policy.</p> <p>Regarding environmental considerations, we have established a hazard identification and risk assessment mechanism for the head office (Shulin Factory) to reduce possible risks and ensure the company’s continuous operations.</p>	None

Implementation Items	Execution Status			Reasons for Deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
<p>III. Environmental Issues</p> <p>(I) Has the company established an appropriate environmental management system according to its industrial characteristics?</p> <p>(II) Is the company committed to improving energy efficiency and using recycled materials with reduced environmental impacts?</p> <p>(III) Has the company assessed the potential risks and opportunities brought by climate changes for the present and in the future, and adopted the relevant countermeasures?</p>	V		<p>III.</p> <p>(I) The company has continued to implement ISO14001:2015 Environmental Management System (effective date: August 22, 2025) in the Shulin factory and promote sustainable management activities according to the Responsible Business Alliance (RBA) Code of Conduct. The company has also prepared an ESG sustainable management report (CSR corporate responsibility report) every year and disclosed it on its website.</p> <p>(II) The company has provided monthly statistics on water and electricity consumption, as well as commissioning recycled material operations for the Shulin Factory, and convened meetings to discuss related improvement issues, and strived to improve and reduce the impact on the environment from the source.</p> <p>(III) The company has continued to observe and discuss climate-related issues, such as: Do not directly emit relevant carbon dioxide and do not use green environmental protection materials such as raw materials and materials that destroy the ozone layer. The goal is to mitigate global warming and environmental damages caused by climate change and only use electricity to power the production equipment.</p>	None

Implementation Items	Execution Status			Reasons for Deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
(IV) Has the company calculated its greenhouse gas emissions, water consumption, and the total weight of waste for the past two years, and has the company formulated any carbon reduction, greenhouse gas reduction, water use reduction, or other waste management-related policies?	V		<p>(IV) The company has provided continuous improvement and education, and training on its environmental protection policies related to greenhouse gases, energy conservation, and carbon reduction. The goal is to reduce greenhouse gas emissions and calculate our greenhouse gas emissions every year.</p> <p>1. Greenhouse gases: carbon dioxide, - methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, nitrogen trifluoride, and others announced by the central competent authority. Differential direct emissions: 2024 (Shulin factory, Taiwan) Scope 1: 38.01 CO2e metric tons/year Scope 2: 2,522.73 CO2e metric tons/year Scope 3: 0.00 CO2e metric tons/year 2023 (Shulin factory, Taiwan) Scope 1: 39.89 CO2e metric tons/year Scope 2: 2,425.91 CO2e metric tons/year Scope 3: 0.00 CO2e metric tons/year</p> <p>2. Water consumption: (Shulin factory, Taiwan) The total consumption of 2023 was 12,695 metric tons The total consumption of 2023 was 12,105 metric tons</p> <p>3. Wastes: Distinguish the total weight of hazardous and non-hazardous wastes. There is no need to distinguish them from the non-manufacturing industry. Only the total weight of waste is disclosed, and the statistical method is explained according to the characteristics of the industry. (Shulin factory, Taiwan) The general commercial waste was 4.83 metric tons in 2024</p>	None

Implementation Items	Execution Status			Reasons for Deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
			<p>The hazardous commercial waste was 0.373 metric tons in 2024</p> <p>The general commercial waste was 9.60 metric tons in 2023</p> <p>The hazardous commercial waste was 0.336 metric tons in 2023</p>	
<p>IV. Social Issues</p> <p>(I) Has the company established related management policies and procedures according to applicable laws and international human rights conventions?</p>	V		<p>IV.</p> <p>(I) Employees are the most important assets of the company's operations. The company can only achieve sustainable and steady development and progress through employees with good competence, ability, and performance. With this in mind, the company adheres to the "people-oriented" social responsibility standards and the concept of "home" in establishing a comprehensive management system for employee care that strictly abides by the labor-related laws and regulations and the Responsible Business Alliance (RBA) provisions to legally protect and safeguard the rights and interests of employees. We aim to provide employees with a healthy and safe working environment, build diverse and open communication channels, and create an open and transparent profit-sharing system. We aim to enable employees to contribute their abilities and performance with peace of mind, grow and develop with the company, enhance good labor relations, create a warm and harmonious working atmosphere, and lay a solid foundation for a sustainable enterprise.</p> <p>Our suppliers are also required to sign the Responsible Business Alliance (RBA) agreement to abide by the commitment and work together to safeguard human rights.</p>	None

Implementation Items	Execution Status		Summary Description	Reasons for Deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies										
	Yes	No												
	V		<p>The company's specific human rights management policies and plans are summarized as follows:</p> <table border="1"> <thead> <tr> <th>Human Rights Management Policies</th> <th>Specific plans</th> </tr> </thead> <tbody> <tr> <td>Diverse communication channels</td> <td>Quarterly labor-management meetings and other communication channels</td> </tr> <tr> <td>Open and transparent profit-sharing system</td> <td>Provide employee remuneration and three festival bonuses according to the operating performance</td> </tr> <tr> <td>Prohibition of forced labor and compliance with local labor laws</td> <td>Provide special holidays that are superior to those required by labor laws, encourage workers to take vacations, and maintain physical and mental health</td> </tr> <tr> <td>Suppliers are required to comply with the Responsible Business Alliance (RBA) provisions</td> <td>Suppliers are required to sign an RBA commitment to maintain due human rights, and the recovery rate was 91.89% .</td> </tr> </tbody> </table>	Human Rights Management Policies	Specific plans	Diverse communication channels	Quarterly labor-management meetings and other communication channels	Open and transparent profit-sharing system	Provide employee remuneration and three festival bonuses according to the operating performance	Prohibition of forced labor and compliance with local labor laws	Provide special holidays that are superior to those required by labor laws, encourage workers to take vacations, and maintain physical and mental health	Suppliers are required to comply with the Responsible Business Alliance (RBA) provisions	Suppliers are required to sign an RBA commitment to maintain due human rights, and the recovery rate was 91.89% .	None
Human Rights Management Policies	Specific plans													
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Implementation Items	Execution Status			Reasons for Deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies					
	Yes	No	Summary Description						
	V		<p>Provide a healthy and safe working environment for employees, and promote physical and spiritual balance for employees</p> <table border="1"> <tr> <td>1. Provide regular health exams.</td> </tr> <tr> <td>2. Provide regular health consultation services and doctor visits.</td> </tr> <tr> <td>3. Partner up with social welfare organizations to provide regular massage service for visually impaired employees</td> </tr> <tr> <td>4. Flexible work reporting system</td> </tr> <tr> <td>5. Employee trips and departmental dinners.</td> </tr> </table> <p>100% of the employees (including newcomers) have reviewed and signed the human rights-related regulations and standards in 2024.</p> <p>"Protection and Work Placement for Specified Persons" and "Sexual Harassment Prevention, Complaint and Investigation Procedures" are also in place to protect potentially vulnerable groups and safeguard human rights.</p>	1. Provide regular health exams.	2. Provide regular health consultation services and doctor visits.	3. Partner up with social welfare organizations to provide regular massage service for visually impaired employees	4. Flexible work reporting system	5. Employee trips and departmental dinners.	None
1. Provide regular health exams.									
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3. Partner up with social welfare organizations to provide regular massage service for visually impaired employees									
4. Flexible work reporting system									
5. Employee trips and departmental dinners.									

Implementation Items	Execution Status			Reasons for Deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
(II) Has the company established and pursued reasonable employee welfare policies (including remuneration, holidays, and other benefits) and reflected the performance or results of operations in employee remunerations?	V		<p>(II) Salaries, vacations, and other benefits are planned and implemented according to the principles of fairness and reasonableness and in compliance with local government regulations. Employee remuneration and bonus incentives are also provided according to the company's operating status and employee work performance.</p> <p>1. Workplace diversity and equality: The company provides equal promotion opportunities for men and women. In 2024, 45% of supervisors are female.</p> <p>2. Employee welfare measures: In addition to planning the overall welfare system, an Employee Welfare Committee is established according to the law to implement diversified welfare activity plans and care for employees. Examples include three festival bonuses, birthday gifts, childbirth gifts, wedding gifts, hospital condolences, funeral allowances, employee travels, and free medical examinations.</p> <p>3. Appraisal system: In addition to providing special leave according to the law, the company also considers traffic conditions and provides employees with a 30-60-minute flexible work reporting system.</p>	None

Implementation Items	Execution Status			Reasons for Deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies																													
	Yes	No	Summary Description																														
			<p>4. The average monthly salary and annual salary ratio for men and women in each position:</p> <table border="1"> <thead> <tr> <th rowspan="2">Job Title</th> <th colspan="2">2023 (men: women)</th> <th colspan="2">2024 (men: women)</th> </tr> <tr> <th>Monthly salary</th> <th>Annual salary</th> <th>Monthly salary</th> <th>Annual salary</th> </tr> </thead> <tbody> <tr> <td>Supervisory positions</td> <td>1:0.91</td> <td>1:0.89</td> <td>1:0.90</td> <td>1:0.87</td> </tr> <tr> <td>Technician positions</td> <td>1:0.79</td> <td>1:0.79</td> <td>1:0.77</td> <td>1:0.76</td> </tr> <tr> <td>Administrative positions</td> <td>1:0.89</td> <td>1:0.92</td> <td>1:0.86</td> <td>1:0.86</td> </tr> <tr> <td>Operating staff</td> <td>1:0.97</td> <td>1:0.95</td> <td>1:0.94</td> <td>1:0.93</td> </tr> </tbody> </table> <p>5. Business performance is reflected in the employee remuneration policy and implementation:</p> <p>(1) Handled according to Article 26 of the company's Articles of Incorporation: Suppose there is any balance after the company subtracted the pre-tax profits from the remunerations to the directors, supervisors, and employees and reserved the amount to compensate for the accumulated losses. In that case, 5% to 15% shall be allocated for employee remunerations, and no more than 2% shall be allocated for director and supervisor remunerations. Employee remuneration can be made in stock or cash distributions, and the recipients may include employees of subordinate companies who meet certain conditions.</p> <p>(2) In addition to the Dragon Boat Festival / Mid-Autumn Festival bonuses, if there is a profit at the end of the fiscal year,</p>	Job Title	2023 (men: women)		2024 (men: women)		Monthly salary	Annual salary	Monthly salary	Annual salary	Supervisory positions	1:0.91	1:0.89	1:0.90	1:0.87	Technician positions	1:0.79	1:0.79	1:0.77	1:0.76	Administrative positions	1:0.89	1:0.92	1:0.86	1:0.86	Operating staff	1:0.97	1:0.95	1:0.94	1:0.93	None
Job Title	2023 (men: women)		2024 (men: women)																														
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Implementation Items	Execution Status			Reasons for Deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
			the company will grant year-end bonuses/holiday bonuses to subordinate employees who have had no faults throughout the year.	
(III) Has the company provided a safe and healthy work environment for employees and education on occupational safety and health for employees at regular intervals?	V		(III) The company aims to take care of its employees with the concept of "home" and continue to implement the ISO 45001 occupational safety and health management system (effective date: August 22, 2025) in the Shulin factory according to the Responsible Business Alliance (RBA) Code of Conduct. We are committed to offering employees a safe and healthy working environment by providing regular employee health checks every 2 years, personal insurance other than labor and health insurance, and entrusting qualified health management institutions to implement temporary factory health management. In addition, through the actual fire drills and emergency response training every six months, the employees' emergency response capabilities and safety concepts are developed, and the occurrence of accidents caused by unsafe behaviors is reduced. In 2024 and 2023, the number of major occupational accidents reported was 0; the number of fires and chemical accidents occurred was 0.	None
(IV) Has the company established an effective employee career development training program?	V		((IV) In response to the rapid changes in the external environment, fierce competition in the industry, and internationalization trends, the company has strived to shape the company's internal learning organization and learning atmosphere, plan a long-term training and development system, cultivate and retain talents, and work together for the company's goals. The Shulin plant had a total of 7,459 training hours in 2024.	None

Implementation Items	Execution Status			Reasons for Deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
			In addition to the training for recruits, the annual education and training plan management is regularly implemented yearly according to the company's employee training and development system. The goal is to combine the company's demands with the needs of personal work and the professional or management capabilities for executive duties (such as manufacturing process, environmental protection, safety, and health) to establish the main general training, professional function training, and class-specific training structure for employee career development.	
<p>(V) Regarding customer health and safety, customer privacy, marketing, and labeling topics, has the company complied with the relevant regulations and international standards and devised the relevant consumer protection policies and complaint procedures?</p> <p>(VI) Has the company established a supplier management policy to demand suppliers observe applicable rules and regulations governing environmental protection, occupational safety and health, labor rights, and the state of implementation?</p>	V		<p>(V) The company provides component labeling according to the international environmental protection laws and product specifications required by clients. We also offer clients green products to comply with relevant laws and international standards.</p> <p>(VI) 1. According to the procurement operation standard specification: According to PI0703 Supplier Management Operation 5.1.4, Class A and B suppliers must fill in the RBA Compliance Declaration (EM0302-04F), and those who have obtained the certificate or can obtain it from public information do not need to conduct on-site audits. The RBA Compliance Declaration (EM0302 -04F) has established requirements for every supplier partner of Taitien and its subsidiaries or affiliated companies to abide by the latest version of the [Responsible Business Alliance Code of Conduct].</p>	None

			<p>2. (1) Check whether the category A and category B suppliers have completed the RBA compliance declaration (EM0302-04F) from time to time and ensure that the certificate documents obtained by the suppliers are valid or the public information platform can be reviewed.</p> <p>(2) Perform supplier audits according to the annual supplier audit plan, and conduct audits according to the QC0703-11F supplier self-assessment and inspection form filled in by suppliers.</p>	
V. Does the company prepare corporate social responsibility reports and other reports that disclose non-financial information based on universal international reporting standards or guidelines? Does the company obtain assurance or certification for the preceding reports from a third-party accreditation institution?	V		The content structure of the company's biennial ESG sustainable management report (or corporate social responsibility [CSR] report) is based on the Global Reporting Initiative (GRI) program, which has gained the attention of companies worldwide, and the report is disclosed on the company website.	None
VI. If the company has established sustainable development principles based on the "Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies," describe the implementation and any deviations from the Principles: The company's code of practice for sustainable development and related regulations are continuously being researched and formulated.				
VII. Other important information to help understand the implementation of sustainable development: (I) The company has required employees to bring their own tableware, reduce the use of disposable dishes, and contribute to the earth together to help mitigate global warming. (II) We Attach importance to environmental protection policies, actively promote greening and environmental protection activities, and significantly reduce waste generation in the production process. (II) Employment is provided for people with disabilities to give back to the local villages and support disadvantaged groups.				

Implementation of climate-related information

Item	Status of implementation
<p>1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and management.</p>	<p>The Company adheres to the four business philosophies of “quality, innovation, integrity, and service.” It requires growth and performance in operation in accordance with the law. Moreover, we continue to improve product quality and technical capabilities, and have introduced ISO and other management systems to strengthen the corporate management system. At the same time, we enhance employee management skills. At TAITIEN Electronics, we elevate the management capabilities of employees to strengthen the quality of operations and competitiveness. We pursue the vision of the Company: “benchmark of the global frequency control industry,” and achieve the mission of “creating the highest value in the eyes of customers, satisfying reasonable shareholders’ return, and creating a quality life for employees.” In response to the high uncertainty of global climate change, corresponding policy adjustments, and rapid changes in the market environment, it is necessary to promptly identify and evaluate the risks and impacts that may be caused by climate change. The Board of Directors has requested the Company to establish a “Sustainability Committee” and to convene senior executives of each department and plant on a regular basis in various groups to identify and evaluate significant climate risks and opportunities. The Company also conducts environmental disaster assessments (e.g. high and low temperature, heavy rainfall, typhoons, droughts, and earthquakes) that may cause risks and impacts to all operating units. By doing this, we are able to stay on top of changes in the external environment and market dynamics, facilitating us to formulate more comprehensive, extensive and flexible operational strategies.</p> <ul style="list-style-type: none"> ● Board of Directors In order to focus on climate issues and continue to promote the sustainability of the Company, the Board of Directors regularly monitors the effectiveness of the “Sustainability Committee” under it, and reviews each team’s implementation of sustainability principles. The “Sustainability Committee” reports to the Board of Directors on a quarterly basis on important information and implementation of the current period, including GHG emission inventory, performance of energy conservation and carbon reduction implementation, climate impact assessment and sustainability goal achievement progress. In Q4 2022, the Board of Directors approved the organization of the “Sustainability Committee” and specified that the “Corporate Governance Best-Practice Principles” are deemed as the basis for the implementation of corporate governance matters. Furthermore, the Company discloses the Corporate Governance Best-Practice Principles and the actual work on sustainability in the annual report, on the MOPS and the Company’s website. ● Management The “Sustainability Committee” is the highest organization for environmental monitoring and climate change management. The chairman serves as the chairman and the Chief Operating Officer serves as the committee member, and supervises the related climate risk control plans and countermeasures. The “Environment Team” under the leadership of the Company coordinates the planning and formulation of action plans related to GHG, energy conservation and carbon reduction, environmental protection, and green supply chain. At the same time, each action plan is extended to each subsidiary, plant and organization so that practical and feasible plans are implemented in all areas and units according to the field conditions. In doing so, the Company will achieve its sustainable development goals.

Item	Status of implementation			
2. Describe how the identified climate risks and opportunities affect the Company's business, strategy and finance (short, medium, and long term).	Climate risks and opportunities affecting the Company are explained as follows:			
	Affected items	Risk	Opportunity	
	Business	Short term	Damage to assets, equipment or inventory related to production and sales	Strengthen cooperation and exchanges in production and sales among plants, industry peers, and suppliers
		Mid-term	Disruption of the supply chain or supply difficulties arising from environmental impacts	Add second, third or more business partners or suppliers
		Long term	Changes in policies, taxation, laws and regulations due to the impact of the climate, resulting in disruption of sales or changes in customer needs	Develop plans for low-carbon, renewable energy, smart and flexible production lines, and a multi-channel supply chain to respond to changes in external conditions
	Strategy	Short term	Company or plant operations or policies are hindered or costs increase	Strengthen internal inspections to improve management efficiency based on the principle of increasing income while reducing expenditure
		Mid-term	Limited by existing laws, resources, environment and other external risks caused by climate change, the development and promotion of strategies are hampered	Collaborate with peers in the industry or supply chain strategies or division of labor to maximize profits from existing resources
		Long term	Changes in the environment, climate and international conditions exceed regional policies or deviate from the direction of corporate operation planning	The long-term development direction of the Company's strategy is to be a green enterprise. The design goals of products are low in energy consumption and high recycling of materials; the planning goals of the process are low-carbon emission and high use of renewable energy.
	Finance	Short term	Additional implementation costs, raw material procurement and logistics costs incurred by the transformation	Manage from budget details, reduce costs through multi-vendor inquiry or price comparison mechanism in procurement/logistics
		Mid-term	Upgrade or increase equipment, asset investment, related technology or product development expenses required for transformation.	Carefully select equipment/assets/technology/products with higher flexibility and high value-added for investment or development; increase inquiry on subsidies from the government or other agencies
Long term		Unclear or sudden changes in domestic and foreign carbon fees, carbon tax and renewable energy policies, causing a sudden increase in the Company's financial costs such as long-term operations, investment needs or working capital	Actively communicate with the government, customers, industries, and peers to collect relevant information to clarify potential investment directions or product plans in the future, to reduce financial risks, or to strengthen cooperation to improve performance	
*Definition of impact time range – short-term: within 3 years; medium-term: 3–5 years, and; long-term: more than 5 years.				

Item	Status of implementation		
<p>3. Describe the financial impact of extreme climate events and transformation actions.</p>	Financial impacts and transformation actions of each impacted target of extreme climate events		
	Impact target	Financial impact	Transformation action
	Personnel	<p>Failure to attend work due to traffic obstruction or injury or death, resulting in the interruption of production and sales activities, ERP system operations and account maintenance operations, can cause failure to operate normally. This can result in the loss of production capacity, decrease in sales revenue, and suspension of cash flow, which can affect financial operations.</p>	<p>System and data backups are established in remote locations so that the same functional office organization can act as an emergency response to reduce the impact of extreme climate impacts on the personnel in the same area.</p>
	Assets	<p>Land, equipment, and buildings that cannot be used, damaged, or eliminated due to the impact of extreme weather. In addition to recognizing the losses in the financial statements, this may result in lower production capacity, lower revenues, and lease payments, posing a negative impact on the finance operations.</p>	<p>Land, equipment, and buildings that are unusable, damaged, or destroyed due to extreme weather conditions may not be recognized in the financial statements, and may result in lower production capacity, lower revenues, and lease payments, which may have a negative impact on the finance operations.</p>
Materials	<ul style="list-style-type: none"> ● Internal: Finished goods, semi-finished goods, work-in-progress, and raw materials are subject to defects, shortages, damage, or elimination of internal plant materials. As a result, the finished goods cannot be successfully produced and sold, resulting in insufficient production and sales, which affects revenue; ● External: 1. Supply chain interruption For semi-finished products and raw materials, extreme weather events may cause supply chain interruption and affect the production progress. 	<ul style="list-style-type: none"> ● Internal: The Company has organizations and mechanisms in place to allocate and support materials across plants, as well as strategic cooperation with peers in the industry to allocate materials from each other when necessary to avoid regional impacts. ● External: 1. Supply chain disruption For the materials already used by the Company, alternatives were discussed in 2022, and the material supply and outsourced processing companies have also been developed to diversify the risk of supply shortage or disruption. 	

Item	Status of implementation		
	Impact target	Financial impact	Transformation action
	Material s	<p>2. Material prices fluctuate Finished or semi-finished products are damaged in transit. The price of raw materials, consumables and energy suddenly rises due to shortage of market resources, resulting in a significant increase in acquisition and production costs, a significant decrease in the Company's profits, and even losses.</p>	<p>2. The price of materials fluctuates in response to this situation. The Company has established strategic cooperation with suppliers and peers in the industry, and has responded with stable prices or long-term purchase orders.</p>
	Legal compliance	<p>According to the following regulations, costs and penalties for non-compliance may be incurred</p> <p>1. Environmental law violations: Extreme climate events may lead to environmental damage, such as wastewater discharge and air pollution, leading to the Company violating relevant environmental laws and regulations. This may result in investigations and fines by government agencies, and may incur cleanup and remediation costs for the Company.</p> <p>2. Labor law violations: Extreme climate events may cause production interruption or factory closure, affecting employees' rights at work, such as unemployment and working hour violations, and thus lead to violation of labor laws and regulations</p>	<p>We have implemented the following actions one by one to reduce possible financial risks in compliance with laws and regulations, while ensuring the legitimacy and sustainability of our business operations:</p> <p>1. Compliance with regulatory requirements: We have been engaging ourselves in communication with colleges and universities for a long time, and negotiating with local government agencies to understand the climate-related laws and regulations in the regions where the industrial chain is located. We comply with all relevant environmental, labor, and safety laws and regulations, including the establishment of a management system that meets regulatory requirements.</p> <p>2. Risk assessment and management: Regularly conduct risk assessments to determine the factors that may lead to violations, and formulate corresponding risk management plans.</p>

Item	Status of implementation		
	Impact target	Financial impact	Transformation action
	Legal compliance	<p>3. Safety laws and regulations non-compliance: Extreme climate events may increase safety risks at production sites. Disasters such as floods and hurricanes may cause harm to employees and facilities, leading to the Company violating relevant safety regulations and procedures.</p>	<p>3. Employee training: Provide training and education related to environmental safety and health for employees to understand legal requirements and ensure that they can perform work safely and legally</p> <p>4. Emergency preparedness: The Company has internally formulated relevant emergency operation specifications and contingency plans and arranges emergency drills every year to prepare for possible safety and environmental risks caused by extreme climate events, and to reduce the possibility of non-compliance</p>
	Logistics and transportation	<p>After the occurrence of extreme climate events, the financial risk cost of the Company's logistics and transportation may include:</p> <p>1. Traffic interruption or delay: Extreme climate events may cause road closures, flight cancellations or delays, thereby affecting the progress and timeliness of logistics transportation. This may result in delay in the delivery of goods, increase in inventory costs, and loss of customer trust and orders.</p> <p>2. Increase of transportation cost: During extreme climate events, transportation costs may increase due to rising demand or restrictions on transportation routes. For example, if a road is closed, the Company may need to switch to more expensive transportation methods such as air freight or rush shipments.</p>	<p>To avoid or reduce these risks, the Company has taken the following actions:</p> <p>1. Diversification of logistics: Multiple logistics providers and transportation routes have been established to reduce risks caused by a single supplier or route. This way, other modes of transportation can be used when certain routes are blocked.</p> <p>2. Contingency plan: Develop emergency logistics plans to deal with possible traffic disruptions or delays caused by extreme weather events. This includes preparing alternative transportation plans in advance, and communicating with transportation suppliers to coordinate countermeasures</p>

Item	Status of implementation								
	<table border="1"> <thead> <tr> <th data-bbox="593 225 698 288">Impact target</th> <th data-bbox="698 225 1375 288">Financial impact</th> <th data-bbox="1375 225 2123 288">Transformation action</th> </tr> </thead> <tbody> <tr> <td data-bbox="593 288 698 517">Logistics and transportation</td> <td data-bbox="698 288 1375 517">3. Damage or loss of goods: Extreme weather events may result in damage or loss of goods during transportation. This may result in the Company having to bear the financial loss of the loss of goods, as well as possible claims and customer losses.</td> <td data-bbox="1375 288 2123 517">3. Transportation insurance: Purchase transportation insurance on a regular basis to compensate for the financial losses that may be caused by cargo loss or transportation delay. This allows for a certain level of protection and peace of mind during transport</td> </tr> </tbody> </table>	Impact target	Financial impact	Transformation action	Logistics and transportation	3. Damage or loss of goods: Extreme weather events may result in damage or loss of goods during transportation. This may result in the Company having to bear the financial loss of the loss of goods, as well as possible claims and customer losses.	3. Transportation insurance: Purchase transportation insurance on a regular basis to compensate for the financial losses that may be caused by cargo loss or transportation delay. This allows for a certain level of protection and peace of mind during transport		
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4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system	<p>The Company's Board of Directors approved the "Risk Management Guidelines" on October 15, 2010. The Guidelines specify the contingency measures for climate-related risks, risk management policies, risk management scope, risk management organizational structure, risk management procedures, risks and risk response measures, as well as risk monitoring.</p> <p>1. The organizational structure for risk management is entrusted by the chairman to the General Manager's Office, which oversees business, manufacturing, management, IT, operations, quality assurance, and auditing.</p> <p>2. The scope of risk management, which refers to the inclusion of all operations that pose significant risks to the Company's operations, including finance, sales, HR management, environmental safety and health, information security, insurance operations, and internal control.</p> <p>3. The purpose of risk management procedures is to integrate and incorporate various risks into management. Therefore, through risk identification, risk assessment, risk response, risk monitoring, and communication, the risk management procedures are used to clearly control the nature, scope and impact of each risk, and to adopt corresponding contingency measures. By doing this, we ensure the appropriate management of relevant operational risks, so that the limited resources can be efficiently allocated to relevant operational risk management.</p>								

Item	Status of implementation															
<p>5. If scenario analysis is used to evaluate the resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be explained</p>	<p>Not applicable, as the Company uses questionnaires to assess climate change risk.</p>															
<p>6. If there is a transformation plan in place to manage climate-related risks, specify the content of the plan, and the indicators and targets used to identify and manage physical risks and transformation risks</p>	<p>In accordance with the government’s 2050 net-zero pathway and the “Roadmap for Sustainable Development for TWSE/TPEX Listed Companies” issued by the FSC, the Company identifies and manages the risks through the risk management procedures, and assesses the impacts of climate-related physical and transition risks on operations and finance. Based on this, relevant transformation plans and action items are planned. In addition to introducing international climate and environment-related management standards and formulating phased action items and goals, the parent company will extend them to all subsidiaries and implement them at different levels to ensure that all the Group achieves the goal of becoming a green enterprise.</p> <table border="1" data-bbox="600 837 2074 1126"> <thead> <tr> <th data-bbox="600 837 770 903">Transformation plan</th> <th data-bbox="770 837 967 903">Plan content</th> <th data-bbox="967 837 1294 903">Action items</th> <th data-bbox="1294 837 1507 903">Indicator</th> <th data-bbox="1507 837 2074 903">Objectives</th> </tr> </thead> <tbody> <tr> <td data-bbox="600 903 770 1027">Physical risk</td> <td data-bbox="770 903 967 1027">Flood prevention</td> <td data-bbox="967 903 1294 1027">Establish waterproof facilities and flood evacuation pipelines</td> <td data-bbox="1294 903 1507 1027">Complete waterproof and flood evacuation equipment</td> <td data-bbox="1507 903 2074 1027">Mitigate the risk of business interruption and financial impact</td> </tr> <tr> <td data-bbox="600 1027 770 1126"></td> <td data-bbox="770 1027 967 1126">Fire prevention</td> <td data-bbox="967 1027 1294 1126">Purchase fire insurance</td> <td data-bbox="1294 1027 1507 1126">Complete building asset insurance</td> <td data-bbox="1507 1027 2074 1126">Reduce property losses</td> </tr> </tbody> </table>	Transformation plan	Plan content	Action items	Indicator	Objectives	Physical risk	Flood prevention	Establish waterproof facilities and flood evacuation pipelines	Complete waterproof and flood evacuation equipment	Mitigate the risk of business interruption and financial impact		Fire prevention	Purchase fire insurance	Complete building asset insurance	Reduce property losses
Transformation plan	Plan content	Action items	Indicator	Objectives												
Physical risk	Flood prevention	Establish waterproof facilities and flood evacuation pipelines	Complete waterproof and flood evacuation equipment	Mitigate the risk of business interruption and financial impact												
	Fire prevention	Purchase fire insurance	Complete building asset insurance	Reduce property losses												

Item	Status of implementation				
	Transformation plan	Plan content	Action items	Indicator	Objectives
	Transformation risks	Energy conservation	In accordance with the management procedures of ISO 50001:2018	Energy consumption	Annual electricity conservation rate reduced by 1% from the previous year
Carbon reduction		In accordance with the management procedures of ISO 14064:2018	Carbon emission equivalent	Reduce carbon emissions by 1% per year compared to the previous year (Scope 1 plus Scope 2)	
Climate change transformation action		In accordance with the management procedures of ISO 14067:2018	Carbon footprint quantification process	Effectively control the sources of carbon emissions to control and reduce the cost or risk of paying a carbon fee or carbon tax in the future	
Special monitoring by the E (environment) team				Make adjustments according to government regulations, customer needs, and climate change survey results to reduce transformation risks	
7. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be explained	In the future, we will consider introducing suitable internal carbon pricing as a solution to promote energy conservation and carbon reduction, depending on external laws and regulations and internal operation and management.				
8. If climate-related goals have been set, specify the activities covered, the scope of GHG emissions, the planned schedule, and the progress made in each year. If carbon credits or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and quantity of carbon credits to be offset or the quantity of RECs shall be specified.	<p>The Company is a listed company with paid-in capital less than NTD 5 billion. According to the “Roadmap for Sustainable Development for TWSE/TPEX Listed Companies” by the FSC, the Company discloses its direct emissions (scope 1) and indirect energy emissions (scope 2) by stages. The parent company should complete the GHG inventory in the third stage (i.e. the inventory should be completed in 2026 and the verification in 2028), and the consolidated subsidiaries should complete the inventory in 2027 and the verification in 2029.</p> <p>The Company completed the GHG inventory and verification schedule for the parent company and each subsidiary in March 2024 in accordance with FSC regulations, which have been approved by the Board of Directors. The quarterly implementation progress reports are reviewed and monitored at the board meeting.</p> <p>In addition to promoting greenhouse gas inventory and verification, the Company also follows the guidelines issued by the competent authorities, relevant regulations, and international standards to continue to promote climate-related hedging solutions, and formulate energy conservation and carbon reduction goals, strategies, and specific action plans.</p> <p>The Company’s annual inventory of the parent company’s GGH emission equivalent (metric tons CO₂e) for 2024 is as follows</p>				

Item	Status of implementation			
	Scope	Definition	Description	Data (tons CO2e)
	Scope 1	Direct GHG emissions	Refers to the GHG emissions generated by the use of different equipment owned or controlled by the enterprise/organization. Including the production and manufacturing processes (such as generators, boilers), ventilation equipment (such as air conditioning equipment) or transportation (such as official vehicles, stackers), etc., required for the organization's operations.	278.76
	Scope 2	Indirect emissions from energy	Refers to indirect GHG emissions resulting from energy purchased or acquired from a third party and used internally within the organization. Including electricity (such as Taipower and green power), heat or steam.	2,098.14
9. Greenhouse gas inventory and assurance status, as well as reduction goals, strategies, and concrete action plans	Not applicable.			

(VI) The company's integrity policies and practices implementation status as well as the deviation and cause of deviation in practice differences compared to that of TWSE/GTSM listed companies

Evaluation Items	Operating Status			Deviation from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX-listed Companies
	Yes	No	Summary Description	
<p>I. Establishment of ethical corporate</p> <p>(I) Has the company specified its policies and methods for implementing ethical corporate management in its internal rules and regulations and external documents, and has the board and management promised to implement the ethical corporate management policies?</p> <p>(II) Has the company developed mechanisms for assessing the integrity risks with routine analysis and assessment of business activities exposed to higher integrity risks during operation, based on which the company has planned to prevent unethical practices? Does the content cover at least the preventive measures in Paragraph 2 in Article 7 of the "Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies"?</p> <p>(III) Has the company established plans to prevent unethical practices and specified the operation procedures, code of conduct, punishment for violation, and system for disciplining and complaints? Have these plans been implemented with routine review and revision?</p>	v		<p>(I) The company upholds the operating integrity policy and implements the corporate ethics of fairness and justice. The board of directors and the management team have formulated the "Ethics and Integrity Agreement" to ensure the company's basic principles of moral integrity and professional behavior and pursue moral values, which are explained in the stakeholder section of the company website.</p> <p>(II) The company has formulated the "Code of Ethical Conduct" and "Employee Professional Ethics" and implemented education, training, and publicity for each new employee. The internal audit unit evaluates higher-risk operations such as dishonesty and incorporates them into the audit plan before formulating the audit plan for the following year.</p> <p>(III) The company has established the "Code of Ethical Conduct," "Employee Professional Ethics," and "Employee Reward and Punishment Measures." If employees discover dishonest behavior, they can report it through the feedback and complaint area of the company's internal website, and full-time personnel shall investigate and deal with the issue.</p>	None

Evaluation Items	Operating Status			Deviation from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX-listed Companies
	Yes	No	Summary Description	
<p>II. Implementation of ethical corporate management</p> <p>(I) Has the company evaluated the record of the counterparties on business ethics and explicitly stated business integrity as an integral part of the contracts when entering into agreements with counterparties of trade?</p> <p>(II) Has the company established a designated body directly under the Board for administering ethical corporate management with routine reporting to the board (at least once a year) on the implementation of ethical corporate management policies and plans for the prevention of unethical practices, and the supervision of the implementation of these policies?</p> <p>(III) Has the company formulated a policy to prevent conflicts of interest, provide appropriate presentation channels, and implement them accordingly?</p> <p>(IV) Has the company established effective accounting and internal control systems to properly implement ethical corporate management? Has the internal audit unit designed relevant audit plans based on the assessment results of integrity risks for the prevention of unethical practices and compliance with related rules and regulations or commissioned certified public accountants to conduct audits on unethical practices?</p> <p>(V) Has the company provided internal and external training on business integrity?</p>	V		<p>II.</p> <p>(I) The company had conducted credit investigations on clients and suppliers, and required suppliers to sign the "Integrity Commitment Letter."</p> <p>(II) he company's management department and president's office promote the integrity management policy and activities. The audit office shall regularly report integrity behavior inspection results to the board of directors.</p> <p>(III) The company has formulated the "Rules of Procedure Board of Directors," "Corporate Governance Practice Code Principles," "Code of Ethical Conduct," and "Employee Professional Ethics." Directors, supervisors, managers, and employees with conflicts of interest on certain issues shall be recused.</p> <p>(IV) The company has established an effective accounting system and internal control system and has set up an audit office and an audit mechanism for its accountants. The audit office formulates audit plans based on the risk assessment results, evaluates the deficiencies and operational risks of internal control systems such as accounting systems, and provides timely improvement suggestions to ensure the effective implementation of internal control systems.</p> <p>(V) The company provides a code of professional ethics for employee training when an employee arrives at the job and holds relevant publicity meetings occasionally.</p>	None

Evaluation Items	Operating Status			Deviation from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX-listed Companies
	Yes	No	Summary Description	
<p>III. The operational status of the company's reporting system</p> <p>(I) Has the company established a substantive reporting and reward and punishment system and convenient channels for reporting and appointed designated personnel for handling the targets of reports?</p> <p>(II) Has the company established standard operating procedures for responding to reports and complaints, the measures to be taken after the investigation, and related mechanisms for confidentiality?</p> <p>(III) Has the company taken any measures to protect the informants from undue treatment?</p>	V		<p>III.</p> <p>(I) The company has set up a special area for interested parties on its website. If suspicious or illegal behavior is found, it shall be dealt with by dedicated personnel after reporting. Moreover, the company has developed the "Employee Professional Ethics" management method and established a feedback and complaint reporting area on its internal website. If employees discover illegal behavior, they can report it through the feedback and complaint reporting area, and dedicated personnel shall investigate and deal with the issue.</p> <p>(II) The company has formulated the "Employee Professional Ethics" management method. The information provided and the identification of the whistleblower shall be kept confidential and only be used for reporting and investigation. Appropriate protective measures shall be taken according to the law to protect personal data and privacy.</p> <p>(III) During the investigation period, the company strictly prohibits the disclosure of the whistleblower's identity and ensures that the whistleblower is not threatened or retaliated against.</p>	None
<p>IV. Strengthen Information Disclosure</p> <p>(I) Has the company disclosed its integrity management code's contents and implementation results on its website or the Market Observation Post System?</p>	V		<p>VI.</p> <p>(I) The company's website is regularly updated with relevant information by dedicated personnel, including a corporate social responsibility report disclosure area and a special area for stakeholders and corporate integrity. We also fully disclose financial, shareholder, and corporate governance information in the investor section of our website.</p>	None
<p>V. If the company has instituted the Ethical Corporate Management Best-Practice Principles according to the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEX-listed Companies," specify the implementation of the principles and any deviations, if applicable: None</p>				
<p>VI. Additional important information that may assist in the understanding of corporate business integrity operations: (i.e. the company has reviewed and amended the "Code of Ethical Operation"): None</p>				

- (VII) Other important information that is sufficient to enhance the understanding of the corporate governance operations and must be disclosed:
1. All directors, supervisors, managers, and employees have been notified of the “Major Internal Information Processing Procedures” formulated to manage the company’s internal material information. This Procedures system has been placed on the company’s website for all colleagues to review and follow to avoid insider trading-related violations.
 2. Search method: Company website at <https://www.taitien.com/tw> at Investor Area.

(VIII) Internal Control System Implementation Status:

1. Internal Control System Declaration : Please refer to the Market Observation Post System. The browse path is as follows: : Market Observation Post System>Single Company>Corporate Governance>Company Regulations/Internal Control>Internal Control Declaration Announcement
<https://mops.twse.com.tw/mops/#/web/t06sg20>
2. If a CPA is entrusted with reviewing the internal control system, the CPA’s review report must be disclosed: None.

(IX) Important resolutions of the shareholders’ meeting and the board of directors meeting in the most recent year and as of the printing date of this annual report.

1. 2024 Important Regular Shareholders’ Meeting Resolution Contents and Implementation Status:

- (1) Ratification of 2023 financial statements: motion is resolved.
- (2) Ratification of 2023 earnings distribution: The shareholder dividend of \$58,083,700 was resolved to be paid on September 25, 2024, with September 2, 2024 as the record date for the distribution of the dividend.
- (3) Cash dividend from capital reserve: The cash dividend from capital reserve was resolved to be NT\$10,250,065, and the ex-dividend date was set at September 2, 2024, and the cash dividend would be paid on September 25, 2024.
- (4) Acquisition of real property land from related party: The resolution was passed to acquire real property land from the related party “Tai Tien Asset Development Co., Ltd.” and to authorize the Chairman to handle all related matters within the transaction amount of NT\$395 million.

2. Board of Directors Important Resolutions

Date	Resolution Contents
2024/05/03	<ol style="list-style-type: none"> 1. Motion for Q1 2024 consolidated financial report 2. Motion for cash distribution from capital reserve 3. Motion of the amendments to some articles of “Procedures for Handling Internal Material Information.” 4. Motion of the amendments to the “Standard Operating Procedure for Handling Demands by Director” 5. Motion of the amendments to the “Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities.” 6. Motion to the acquisition of real property land from related party

2024/08/08	<ol style="list-style-type: none"> 1. Motion for Q2 2024 consolidated financial report 2. Motion for 2023 distribution of remuneration to directors 3. Motion for first distribution of employee remuneration to managers in 2023 4. Motion for ex-dividend for 2023 cash dividends 5. Motion for bank credit line renewal 6. Motion for subsidiary endorsements/guarantees
2024/11/07	<ol style="list-style-type: none"> 1. Q3 2024 consolidated financial report 2. 2025 internal audit plan
2024/12/24	<ol style="list-style-type: none"> 1. Motion for second distribution of employee remuneration to managers in 2023 and distribution of 2024 year-end bonus for managers 2. Motion for amount of 2024 Lunar New Year bonuses to managers 3. Description of 2024 insider remuneration scale 4. Motion for amendments to the “Internal Control System” and “Internal Audit System” 5. Motion for bank credit line renewal 6. Motion for 2025 business plan and budget
2025/03/13	<ol style="list-style-type: none"> (I) Motion for distribution of 2024 remuneration to directors and employees (II) 2024 financial statements (III) Motion for 2024 earnings distribution (IV) 2024 Statement of Internal Control System (V) Motion for appointment and dismissal the President (VI) Motion for the amendments to some provisions of the “Articles of Incorporation” (VII) Motion for appointment and assessment of the suitability and independence of CPAs (VIII) Acceptance of shareholders’ proposals for the 2025 AGM (IX) Motion for convening of the 2025 AGM

(X) Major Issues of Record or Written Statements Made by Any Director or Supervisor Dissenting to Important Resolutions Passed by the Board of Directors : None

IV. Information Regarding the Company’s Audit Fee and Independence

Unit: NT\$ thousand

Accounting Firm	Name of CPA		Period Covered by CPA’s Audit	Audit Fee	Non-audit Fee					Total	Remarks
					System of Design	Company Registration	Human Resource	Others (Note)	Subtotal		
Deloitte Taiwan.	Sheng-Tai Liang	Sandra Chen	2024/1/1~2024/12/31	5,257	0	19	0	497	516	5,773	None

Note: The non-audit public fee service content transfer pricing and the BVI-related fees totaled NT\$497 thousand.

(I) CPA firm replacement whereby the audit fee of the year was reduced compared to the audit fee of the previous year, whereby the audit amount before and after replacement and the cause of replacement must be disclosed: The company did not change its accounting firm in 2024.

(II) If the audit certification expense has decreased by over 10% compared to that of the previous year; the amount, proportion, and reasons for the audit certification expense reduction must be disclosed:

The company's 2024 audit fee was reduced by 10% compared to 2023.

V. Information Related to CPA Replacement:

(I) Regarding the former CPA :

Replacement Date	March 14, 2024				
Replacement reasons and explanations	Internal adjustment of accounting firm				
Describe whether the Company terminated or the CPA did not accept the appointment	Parties		CPA	The Company	
	Status		Not applicable		
	Termination of appointment				
No longer accepted (continued) appointment					
Other issues (except for unqualified issues) in the audit reports within the last two years	None				
Differences with the company	Yes	X	Accounting principles or practices	X	Audit scope or steps
		X	Disclosure of Financial Statements	X	Others
	None	V			
	Remarks/specify details : None °				
Other Revealed Matters	None				

(II) Regarding the successor CPA

Name of accounting firm	Deloitte Taiwan
Name of CPA	Sheng-Tai Liang / Sandra Chen
Date of appointment	March 14, 2024
Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the company's financial reports that the CPA might issue prior to the engagement.	None
Succeeding CPA's written opinion of disagreement toward the former CPA	None

(III) The former CPA's reply letter to 1 and 2-3, Paragraph 5, Article 10 of this code: None.

VI. The Company's Chairman, Chief Executive Officer, Chief Financial Officer, and managers in charge of its finance and accounting operations did not hold any positions in the Company's independent auditing firm or its affiliates during 2024 : None.

VII. Any transfer of equity interests and/or pledge of or change in equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent during the most recent year or during the current fiscal year up to the date of publication of the annual report.

(I) Changes in shareholdings of directors, supervisors, managers and large shareholders During 2024, and from January 1, 2025 to April 12, 2025 :

Title	Name	2024		January 1, 2025 - April 12, 2025	
		Increase (decrease) in shareholding	Increase (decrease) in shares pledged	Increase (decrease) in shareholding	Increase (decrease) in shares pledged
Chairman (Note1)	Sheng-Tai Song	100,000	0	250,000	0
Director (Note2) (Doubled as President)	Justine Song	0	0	0	0
Director	Tien-Hao Wang	0	0	0	0
Director	Teh-Chang Yao	0	0	0	0
Director	Bor-Ren Jeng	0	0	0	0
Independent Director	Hsiao-Ping Fan	0	0	0	0
Independent Director	Yu-Tun Wu	0	0	0	0
Independent Director	Tung-Te Li	0	0	0	0
Independent Director	Wan-Yuan Lin	0	0	0	0
Director of Operations	Yu-Feng Li	0	0	0	0
Director of Production	Wen-Tseng Chih	0	0	0	0
Deputy General Manager, Sales Department	Yu-Hsien Li	0	0	0	0
Associate of Finance and Accounting	Li-Chu Yang	0	0	0	0
Director of research and development department	Chih-Yi Teng	0	0	0	0
Director of business department	Chun-Lung Huang	0	0	0	0
Director of research and development department	Cheng-Chia Fang	0	0	0	0
Director of business department	Yi-Min Li	0	0	11,804	0
Vice Director of research and development department	Chia-Lung Lin	0	0	0	0
Shareholder with a stake of more than 10 percent	Chia Yu Investment Co., Ltd.	0	0	0	0

Note 1: Resigned as President on March 13, 2025

Note 2: newly appointed on March 13, 2025

Note 2: newly appointed on October 21, 2024

(II) Shares Trading with Related Parties : None

(III) Shares Pledge with Related Parties : None

VIII. Relationship information, if among the company's 10 largest shareholders any one is a related party or a relative within the second degree of kinship of another

Unit: Share: April 12, 2025

Name	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Names and relationships of 10 largest shareholders who are related parties to each other or are spouses or relatives within second degree of kinship		Remarks
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Name	Relation	
Sheng-Tai Song	10,150,618	14.85%	0	0	0	0	Sheng-Nan Song	Younger brother	None
							Tsui- Fang Song Tang	Sister-in-law	None
							Yu-Ling Song	Daughter	None
Chia Yu Investment Co., Ltd.	7,283,636	10.66%	0	0	0	0	None	None	None
Chiang Yueh-Hua, representative of Chia Yu Investment Co., Ltd.	0	0	0	0	0	0	None	None	None
Sheng-Nan Song	2,700,098	3.95%	1,079,431	1.58%	0	0	Sheng -Tai Song	Elder brother	None
							Tsui- Fang Song Tang	Spouse	None
Employee Stock Ownership Trust Account under Chinatrust Commercial Bank's entrusted by TAITIEN Electronics Co., LTD.	1,862,997	2.73%	0	0	0	0	None	None	None
Tsui- Fang Song Tang	1,079,431	1.58%	2,700,098	3.95%	0	0	Sheng-Tai Song	Elder brother	None
							Sheng-Nan Song	Spouse	None
Ying-Fu Chang	1,064,000	1.56%	0	0	0	0	None	None	None
Yi-Ching Li	864,408	1.26%	0	0	0	0	None	None	None
Yu- Ling Song	863,869	1.26%	0	0	0	0	Sheng-Tai Song	Father	None
Hong-Rui Lin	800,000	1.17%	0	0	0	0	None	None	None
Yuan-I Fu	709,000	1.04%	0	0	0	0	None	None	None

IX. Ownership of Shares in Affiliated Enterprises

Unit: shares/ USD\$ / December 31, 2024

Affiliated Enterprises	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/Managers		Total Ownership	
	Shares Amount invested	Shareholding (%)	Shares Amount invested	Shareholding (%)	Shares Amount invested	Shareholding (%)
Indus Taitien Marketing Limited	\$50,000	100.00	0	0	\$50,000	100.00
Taitien Holding Company Limited	\$14,126,824	100.00	0	0	\$14,126,824	100.00
Hardy Holding Corporation	\$13,880,974	100.00	0	0	\$13,880,974	100.00
Taitien USA, Inc.	\$3,200,000	100.00	0	0	\$3,200,000	100.00
Colorado Crystal Corporation	385,094 shares	100.00	0	0	385,094 shares	100.00
Pletronics, Inc.	41,000 shares	100.00	0	0	41,000 shares	100.00
Taitien Electronics (Nanjing) Co., Ltd.	\$8,700,000	100.00	0	0	\$8,700,000	100.00
Taitien Electronics (Shenzhen) Co., Ltd.	\$4,800,000	100.00	0	0	\$4,800,000	100.00
Wintron Electronics Co., Ltd.	\$1,200,000	100.00	0	0	\$1,200,000	100.00

Three. Capital Overview

I. Capital and Shares

(I) 1. Source of Capital

Unit: share / Unit:NT\$/ April 12, 2025

Month / Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount (NT\$)	Shares	Amount (NT\$)	Sources of Capital (NT\$)	Capital Increased by Assets Other than Cash	Other
89.02	10	100,000	1,000,000	100,000	1,000,000	Cash set up	None	None
89.05	10	75,000,000	750,000,000	19,900,000	199,000,000	Cash capital increase (Note 1) 198,000,000	None	None
89.11	10	75,000,000	750,000,000	32,000,000	320,000,000	Cash capital increase (Note 2) 121,000,000	None	None
90.09	10	75,000,000	750,000,000	53,558,407	535,584,070	Cash capital increase (Note 3) 48,000,000 Surplus to capital increase 128,000,000 Capital reserve to capital increase 32,000,000 Employee bonus to capital increase 7,584,070	None	None
91.05	10	75,000,000	750,000,000	58,914,247	589,142,470	Surplus to capital increase (Note 4) 53,558,400	None	None
95.06	10	75,000,000	750,000,000	60,681,674	606,816,740	Capital reserve to capital increase 17,674,270 (Note 5)	None	None
95.12	10	75,000,000	750,000,000	60,794,674	607,946,740	Employee stock option certificates to new shares 1,130,000 (Note 6)	None	None
96.03	10	120,000,000(註 7)	1,200,000,000(註 7)	60,840,674	608,406,740	Employee stock option certificates to new shares 460,000 (Note 6)	None	None
96.06	10	120,000,000	1,200,000,000	60,922,674	609,226,740	Employee stock option certificates to new shares 820,000 (Note 6)	None	None
96.09	10	120,000,000	1,200,000,000	62,746,514	627,465,140	Capital reserve to capital increase 18,238,400 (Note 8)	None	None
96.09	10	120,000,000	1,200,000,000	62,802,514	628,025,140	Employee stock option certificates to new shares 560,000 (Note 6)	None	None
96.12	10	120,000,000	1,200,000,000	62,818,514	628,185,140	Employee stock option certificates to new shares 160,000 (Note 6)	None	None
97.02	10	120,000,000	1,200,000,000	62,826,514	628,265,140	Employee stock option certificates to new shares 80,000 (Note 6)	None	None
97.04	10	120,000,000	1,200,000,000	71,216,514	712,165,140	Cash capital increase (Note 9) 83,900,000	None	None
97.08	10	120,000,000	1,200,000,000	71,220,514	712,205,140	Employee stock option certificates to new shares 40,000 (Note 6)	None	None

Month/ Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount (NT\$)	Shares	Amount (NT\$)	Sources of Capital (NT\$)	Capital Increased by Assets Other than Cash	Other
98.04	10	120,000,000	1,200,000,000	71,267,514	712,675,140	Employee stock option certificates to new shares 470,000 (Note 6)	None	None
98.08	10	120,000,000	1,200,000,000	72,691,934	726,919,340	Surplus to capital increase (Note 10) 14,244,200	None	None
98.11	10	120,000,000	1,200,000,000	72,715,934	727,159,340	Employee stock option certificates to new shares 240,000 (Note 6)	None	None
99.02	10	120,000,000	1,200,000,000	72,802,934	728,029,340	Employee stock option certificates to new shares 870,000 (Note 6)	None	None
99.05	10	120,000,000	1,200,000,000	72,825,934	728,259,340	Employee stock option certificates to new shares 230,000 (Note 6)	None	None
99.07	10	120,000,000	1,200,000,000	72,865,934	728,659,340	Employee stock option certificates to new shares 400,000 (Note 6)	None	None
99.09	10	120,000,000	1,200,000,000	74,322,453	743,224,530	Capital reserve to capital increase 14,565,190 (Note 11)	None	None
99.11	10	120,000,000	1,200,000,000	74,507,453	745,074,530	Employee stock option certificates to new shares 1,850,000 (Note 6)	None	None
100.09	10	120,000,000	1,200,000,000	75,997,602	759,976,020	Capital reserve to capital increase 14,901,490 (Note 12)	None	None
101.09	10	120,000,000	1,200,000,000	77,517,554	775,175,540	Capital reserve to capital increase 15,199,520 (Note 13)	None	None
102.04	10	120,000,000	1,200,000,000	77,534,405	775,344,050	Corporate bonds to new shares 168,510 (Note 14)	None	None
106.05	10	120,000,000	1,200,000,000	76,946,405	769,464,050	Decrease in treasury stock for capital reduction 5,880,000 (Note 15)	None	None
109.02	10	120,000,000	1,200,000,000	75,926,405	759,264,050	Decrease in treasury stock for capital reduction 10,200,000 (Note 16)	None	None
109.09	10	120,000,000	1,200,000,000	68,333,765	683,337,650	Capital reduction share refund 75,926,400 (Note 17)	None	None

Note 1: The case became effective upon the approval of the letter Ching (089) Shang Tzu No. 089122512 on July 03, 2000.

Note 2: The case became effective upon the approval of the letter (89) Tai Tsai Cheng(1) No. 82227 on October 7, 2000.

Note 3: The case became effective upon the approval of the letter (90) Tai Tsai Cheng(1) No. 141832 on June 29, 2001.

Note 4: The case became effective upon the approval of the letter Tai Tsai Cheng(1) No. 0910141479 on July 24, 2002.

Note 5: The case became effective upon the approval of the letter Chin Kuan Cheng Yi, Tzu No.0950127066 on June 28, 2006.

Note 6: The case became effective upon the approval of the letter tai Tsai Cheng Yi Tzu No.0920157623 on December 11, 2003.

Note 7: The registration of changes became effective upon the approval made of the extraordinary shareholders' meeting and the letter Ching Shou Shang Tzu No.09601045090 on February 9, 2007.

Note 8: The case became effective upon the approval of the letter Chin Kuan Cheng Yi, Tzu No.0960036316 on July 13, 2007.

Note 9: The case became effective upon the approval of the letter Chin Kuan Cheng Yi, Tzu No.0970012852 on March 28, 2008.

Note 10: The case became effective upon the approval of the letter Chin Kuan Cheng Yi, Tzu No.0980034496 on July 10, 2009.

Note 11: The case became effective upon the approval of the letter Chin Kuan Cheng Fa, Tzu No.0990036005 on July 12, 2010.

Note 12: The case became effective upon the approval of the letter Chin Kuan Cheng Fa, Tzu No.1000032187 on July 12, 2011.

Note 13: The case became effective upon the approval of the letter Chin Kuan Cheng Fa, Tzu No.1010031533 on July 16, 2012.

Note 14: The case became effective upon the approval of the letter Ching Shou Shang Tzu No.10201068340 on April 19, 2013.

Note 15: The case became effective upon the approval of the letter Ching Shou Shang Tzu No.10601068050 on May 26, 2017.

Note 16: The case became effective upon the approval of the letter Ching Shou Shang Tzu No.10801067610 on June 5, 2020.

Note 17: The case became effective upon the approval of the letter Ching Shou Shang Tzu No.10801118790 on September 3, 2020.

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common Shares	68,333,765	51,666,235	120,000,000	All the outstanding shares are TPEX-listed company stocks.

2. Information for Shelf Registration : None

(II) List of Major Shareholders

April 12, 2025

Shareholder's Name	Shareholding	Shares	Percentage
Sheng-Tai Song		10,150,618	14.85%
Chia Yu Investment Co., Ltd.		7,283,636	10.66%
Sheng-Nan Song		2,700,098	3.95%
Employee Stock Ownership Trust Account under Chinatrust Commercial Bank's entrusted by TAITIEN Electronics Co., LTD.		1,862,997	2.73%
Tsui- Fang Song Tang		1,079,431	1.58%
Ying-Fu Chang		1,064,000	1.56%
Yi-Ching Li		864,408	1.26%
Yu- Ling Song		863,869	1.26%
Hong-Rui Lin		800,000	1.17%
Yuan-Yi Fu		709,000	1.04%

(III) Dividend Policy and Implementation Status

1. Dividend Policy

If there is a surplus at the end of the fiscal year, after the taxes have been paid, 10% shall be appropriated as the statutory surplus reserve, unless the statutory surplus reserve has already reached the company's paid-in capital, and accumulated losses shall be made up for pursuant to the law. The rest shall be appropriated or revolved as a special surplus reserve. If a balance still remains, the board of directors shall make a surplus distribution proposal and submit it to the board of directors to pass a resolution on the shareholder dividend allocation.

The company shall adopt the principle of stability and balance and consider its future operating development capital needs and sound financial conditions for its dividend policy. Among the shareholder dividends and bonuses distributed in the current year, the distribution of cash dividends shall not be less than 50%. However, the board of directors may adjust the ratio according to the working capital demand for the year and submit it to the shareholders' meeting for resolution.

2. Dividend distribution proposed by this shareholders' meeting:

The 2024 earnings distribution was resolved by the Board of Directors on March 13, 2025. According to the Company's Articles of Incorporation, the 2024 earnings appropriation for shareholders' dividends and bonuses will be distributed as follows: cash dividend of NT\$0.3 per share. (Note: If the number of outstanding shares is affected by changes in share capital or other factors, and the ratio of cash dividends to shareholders changes, requiring the number of outstanding shares to be revised, the adjustment will be made by the Board of Directors with the authorization of the shareholders' meeting). The earnings will be distributed in accordance with the law after approval by the shareholders at the AGM.

3. Are there significant changes expected for the dividend policy: No.

(IV)The effects that the stock grant proposed by the shareholders' meeting has on the company's business performance and earnings per share:

Item		Year	2025 (estimate)
Initial paid-in capital			683,337,650
This year's share and dividend allotment status	Cash dividend per share		NT\$0.3 (Note 1)
	The number of rights issues per share transferred from surplus to capital increase		0
	Capital reserves are used to increase the number of rights issues per share		0
Changes in business performance	Operating income		Not applicable (Note 2)
	Operating profit increase (decrease)ratio compared with the same period of previous year		
	Post-tax profit		
	Net profit after tax increase (decrease)ratio compared with the same period of previous year		
	Earnings per share		
	Earnings per share increase (decrease)ratio compared with the same period of previous year		
Fictitious earnings per share and price-to-earnings ratio	If the surplus is transferred to capital increase, the full amount shall be changed to cash dividends	Fictitious earnings per share	Not applicable (Note 2)
		Fictitious average annual return on investment	
	If the capital reserve has not been transferred to capital increase	Fictitious earnings per share	
		Fictitious average annual return on investment	
	If the capital reserve has not been processed and the surplus is transferred to capital increase, cash dividends shall be paid	Fictitious earnings per share	
		Fictitious average annual return on investment	

Note 1: (1) 2024 the shareholders' meeting has not yet resolved the profit distribution proposal.

(2) Subsequently, if the quantity of shares circulating externally is affected by subsequent company share capital changes and leads to shareholder distribution ratio changes that require corrections, please ask the shareholders' meeting to authorize the board of directors to handle the matter.

Note 2: The company has no financial forecast information announced this year.

(V) Remuneration for employees and directors:

1. The percentage or scope of remuneration for employees and directors as stipulated in the company's articles of incorporation:

Suppose there is any balance after the company subtracted the pre-tax profits from the remunerations to the directors and employees and reserved the amount to compensate for the accumulated losses. In that case, 5% to 15% shall be allocated for employee remunerations, and no more than 2% shall be allocated for director remunerations. Employee and director remuneration shall be resolved by a board of directors meeting attended by at least two-thirds of all board members and by a majority vote from the attending directors. The resolution shall be reported to the shareholders' meeting. Employee remuneration can be made in stock or cash distributions, and the recipients may include employees of subordinate companies who meet certain conditions.

2. The valuation basis for the estimation of employees' and directors' remuneration amounts in the current period and the accounting treatment when the estimated distribution amount and the actual distribution amount are different:

(1) The valuation basis for the employees' and directors' remuneration amounts estimated in the current period:

The directors' remuneration is about 2%, and the employees' remuneration is about 10%.

(2) The basis for calculating the number of shares distributed as employee compensation: Not applicable.

(3) Accounting treatment when the actual distribution amount differs from the estimated amount: Listed as profit/loss for the distribution year.

3. Remuneration distribution approved by the board of directors:

(1) Employee and director remuneration is paid in cash or stock distribution, If the annual estimated amount is different than the recognized amount, the difference, cause, and handling status must be disclosed: On March 13, 2025, the company's board of directors approved the provision of NT\$610,247 (about 2%) for directors' remuneration and NT\$3,051,239 (about 10%) for employees' compensation, all of which shall be paid in cash. No difference exists between these numbers, and the estimated expense amounts recognized in 2024.

(2) The ratio accounted for by the employee remuneration amount distributed via stock allocation in the after-tax net profit of the latest distinctive or individual financial report and the total employee remuneration: Not applicable.

4. The actual remuneration distribution for employees, directors, and supervisors in the previous year (including the number of shares distributed, amount, and stock price); and the number of discrepancies, reasons, and handling status must be disclosed if different from the remuneration recognized for employees, directors, and supervisors: The actual employee and director remuneration distributed in 2024 is not different from the current employee and director remuneration recognized.

(VI) Buy-back of Treasury Stock : None

II. Bonds

(I) Corporate Bonds : None

(II) Convertible Bonds : None

(III) Exchangeable Bonds : None

(IV) Shelf Registration for Issuing Bonds : None

(V) Corporate Bonds with Warrants : None

III. Preferred share handling: None

IV. Global Depository Receipts : None

V. Employee Stock Options : None

VI. Handling status for restricted shares for subscription by employees as well as mergers: None

VII. Status of New Shares Issuance in Connection with Mergers and Acquisitions : None

VIII. Financing Plans and Implementation : None

Four. Operational Highlights

I. Business Activities

(I) Business Scope

1. Main areas of business operations

- (1) Electronic Parts and Components Manufacturing
- (2) Wholesale of Electronic Materials
- (3) Retail Sale of Electronic Materials
- (4) International Trade
- (5) General Instrument Manufacturing
- (6) Data Storage Media Units Manufacturing
- (7) Other Electrical Engineering and Electronic Machinery Equipment Manufacturing (programmable logic controllers)

2. Revenue distribution

Unit ; NT\$ thousand

Main products	Total Sales in Year 2024	(%) of Total Sales
Crystal	445,852	29.65%
Crystal Oscillator	954,172	63.47%
Others	103,428	6.88%
Total	1,503,452	100.00%

3. The company's Main products:

The core quartz products are quartz crystal chips and a variety of quartz products with package appearance and electrical features designed to meet the demand of circuit design and assembly for various downstream applications products:

- (1) Crystal Unit
- (2) SMD Crystal
- (3) Oscillator
- (4) SMD Oscillator
- (5) TCXO
- (6) VCXO
- (7) OCXO
- (8) SC-Cut Crystal
- (9) Quartz Wafer/Blank
- (10) Quartz Crystal Microbalance - Sensor Crystal
- (11) Tuning Fork Crystal
- (12) GPS Clock
- (13) Mini Oven
- (14) Testing and Production Equipment
- (15) Time Module

4. New products development

- (1) DIP 14 100MHz Ultra Low Power OCXO ◦
- (2) 9 x 7 SMD OCXO

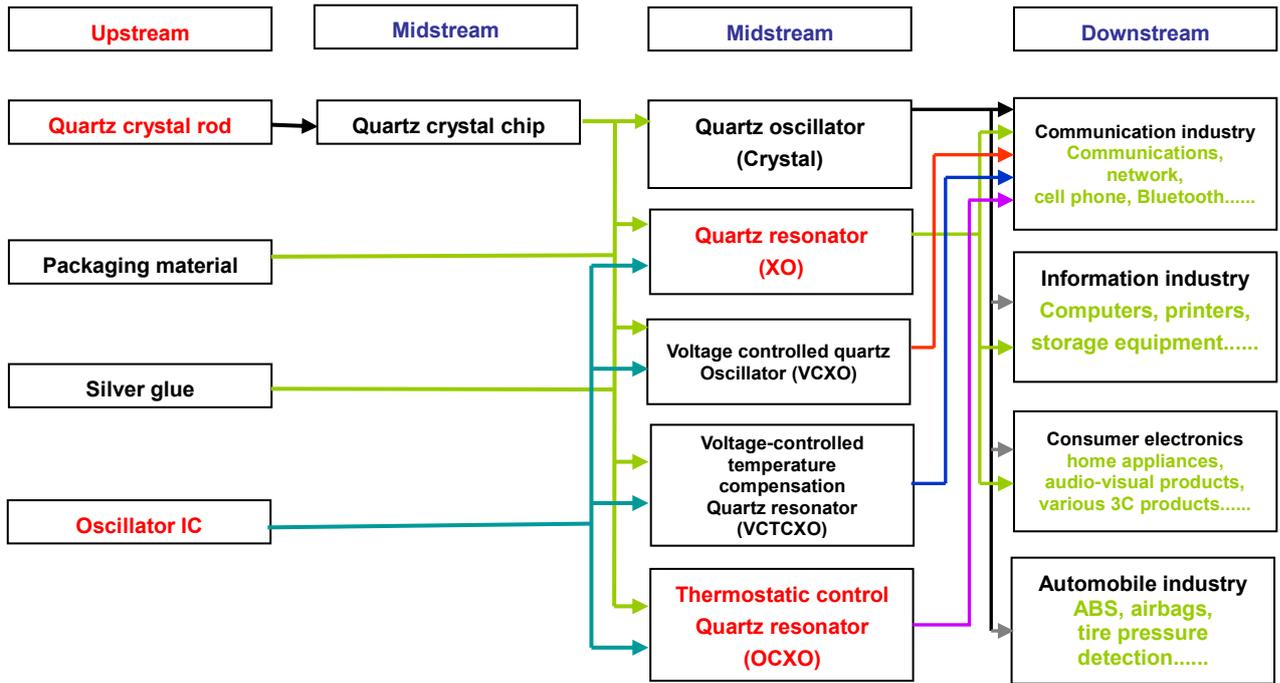
(II) Industry Overview

1. Current status and development of the industry

Quartz has become a basic component widely used in various electronic devices due to having a small temperature coefficient and high Q value. It has become a basic component widely used in various electronic devices. Quartz frequency components can be divided into two types: quartz resonators with a single quartz crystal chips package and quartz oscillators that contain both quartz crystal chips and ICs. The products can meet different needs. The mainstream size is 3.2x2.5mm / 2.5x2.0mm / 2.0x1.6mm or even the smaller 1.6x1.2mm / 1.2x1.0mm / 1.0x0.8mm. At present, quartz frequency component manufacturers have continued to improve the small-sized quartz crystal chip technology. The new generation of miniaturized chip micro-processing technology has developed small-sized quartz oscillator products with high quality, high precision, high stability, and low noise.

The application market for quartz frequency components covers general information products, consumer electronics, communications, industry, automotive electronics, military, and medical fields. The consumer electronics application market accounts for the largest proportion, followed by communications and industry. In addition to the miniaturization trend for quartz frequency components, the development of communications and wireless networks and the rapid growth of electric vehicles have driven the increase in wireless and wired network transmission volumes. These factors have increased demand for high-frequency series products with quartz frequency components. Taitien Electronics has improved the relevant technologies and adopted a new generation of product manufacturing processes to develop various quartz frequency component products that can meet the rapid and diverse needs of the market.

1. The relationship between the upstream, midstream, and downstream



3. Various Product Development Trends

① Blank

Shape	Round chip	Square chip							
Size (mm)	8.0~4.5	2.0×8.0	2.0×5.0	1.8×4.0	1.6×3.5	1.3×2.0	1.1×1.6	1.0×1.4	0.7×1.0
Mature period	1980	1985	1995	2000	2002	2005	2009	2013	2017

② Crystal

Packaging type	Metal packaging	Metal packaging	Ceramic Packaging (SMD)	Ceramic Packaging (SMD)
Size(mm)	13.1×10.1×6.0	11.1×4.6×2.5	8.0×4.5×1.5 7.5×5.0×1.3	6.0×3.5×1.0 5.0×3.2×0.9
Mature period	1980	1990	1998	2001
Packaging type	Ceramic Packaging	Ceramic Packaging	Ceramic Packaging	Ceramic Packaging
Size(mm)	4.0×2.5×0.8	3.2×2.5×0.6	2.5×2.0×0.6	2.0×1.6×0.55
Mature period	2003	2005	2009	2013
Packaging type	Ceramic Packaging	Ceramic Packaging	Ceramic Packaging	
Size(mm)	1.6×1.2×0.35	1.2×1.0×0.3	1.0×0.8×0.3	
Mature period	2017	2020	2022	

③ Crystal Oscillator

Packaging type	Metal packaging	Plastic packaging (SMD)	Ceramic Packaging (SMD)	Ceramic Packaging (SMD)
Size(mm)	20.8×13.2×5.0 13.2×13.2×5.0	14.0×9.8×4.7	7.5×5.0×1.6	5.0×3.2×1.3
Mature period	1985	1995	1997	2002
Packaging type	Ceramic Packaging	Ceramic Packaging	Ceramic Packaging	Ceramic Packaging
Size(mm)	3.2×2.5×0.8	2.5×2.0×0.75	2.0×1.6×0.75	1.6×1.2×0.75
Mature period	2007	2009	2013	2018

④ VCXO

Packaging type	Metal packaging	Plastic packaging (SMD)	Ceramic Packaging	Ceramic Packaging
Size(mm)	20.8×13.2×5.0 13.2×13.2×5.0	14.0×9.8×4.7	8.5×7.9×3.0	7.5×5.0×1.6
Mature period	1990	1993	1996	2000
Packaging type	Ceramic Packaging	Ceramic Packaging	Ceramic Packaging	Ceramic Packaging
Size(mm)	5.0×3.2×1.3	3.2×2.5×1.05	2.5×2.0×0.9	2.5×2.0×1.0
Mature period	2010	2017	2020	2024

⑤ TCXO

Packaging type	Metal packaging	Metal packaging (SMD)	Metal packaging (SMD)	Ceramic Packaging (SMD)
Size(mm)	18.5×12.0×8.0	11.4×11.4×4.0 11.4×9.6×2.5	9.0×7.0×2.0	7.0×5.0×2.0
Mature period	1990	1995	1997	2000
Packaging type	Ceramic Packaging	Ceramic Packaging	Ceramic Packaging	Ceramic Packaging
Size(mm)	5.0×3.2×1.8	3.2×2.5×0.9	2.5×2.0×0.9	2.0×1.6×0.7
Mature period	2002	2007	2010	2014
Packaging type	Ceramic Packaging			
Size(mm)	1.6×1.2×0.9			
Mature period	2016			

In recent years, due to the large-scale attraction of mobile phones, tablets, GPS, Bluetooth, NB, etc., global component manufacturers have focused their R&D on catering to the "light," "thin," "short," "small," and "low power consumption" characteristics of consumer electronics products. Therefore, the R&D focus for quartz oscillator components involves expanding the frequency band and reducing size.

4. Competition Status

The crystal oscillator component industry itself is a relatively difficult and basic

science industry, and its related experience and technology form a barrier for new competitors to enter the market. For a long time, due to the early start of European, American and Japanese manufacturers, a solid foundation in the development of the crystal oscillator component industry has been laid. These manufacturers have always enjoyed high market visibility, and have a larger market share in the field of high-end products. After decades of development, Taiwan's crystal oscillator component manufacturers have gradually evolved to have their own technologies in terms of products and processes. This has not only put pressure on European, American, and Japanese manufacturers but also Taiwanese suppliers' niche has also been expanded. In addition, there are many manufacturers of low-end entry-level crystal oscillator components in China. With the rise of the domestic market in China, they have considerable progress momentum.

Compared with the frequency components of crystal technology, there are also oscillator parts made of Silicon MEMS. However, for electronic products used in end applications, it is necessary to successfully replace the crystal oscillator with a very mature development history and technology, hence, there are still many obstacles to be overcome. With nearly 50 years of experience and solid R&D background, TAITIEN is committed to the development of high-precision, high-quality high-end crystal oscillators. TAITIEN also continues to research related precision processes while improving quality, in order to maintain its own competitive advantage.

(III) Research and Development

1. Consolidated R&D expenses invested in the most recent year and up to the publication date of this annual report

Unit:NT\$ thousand

Year	2024	2025/1/1~2025/3/31
Amount	55,533	13,606

Note: 2023 and the 1st quarter of 2024 are based on International Financial Reporting Standards.

2. Technologies or products successfully developed in the most recent year and as of the publication date of the annual report :

The company has completed the following product and technology development in 2024 :

- (1) 3225 High Precision TCXO
- (2) DIP 14 10MHz Ultra Low Power OCXO ◦
- (3) 7050/5032 +/-50ppm, -40oC ~ 105oC TCXO ◦

(IV) Long-term and Short-term Development

Taitien Electronics has taken advantage of its global investment layout to implement the group strategy: Adopt the design in Taiwan, local manufacturing, and global delivery principles to enhance the added value for clients, continue strengthening competitiveness, and strive to become a member of the world's leading manufacturers.

1. Short-term development plan

(1) Marketing plan

- (A) Target the niche market, continue to deepen the Taitien brand, and expand high-end OCXO, TCXO, and VCXO high-frequency oscillators as well as programmable oscillator product applications to provide market services for specific clients. Moreover, increase the oscillator and crystal product lines for consumer 、automotive electronics and AI high-speed applications to increase the overall revenue and profit.
- (B) Cooperate with local partners to expand the channel sales service system, expand the preferred recognition and instant service of specific end clients, and expand the scope of sales and market share.
- (C) Strengthen the connection between front-end and logistics systems, conform to mainstream demand trends and information, facilitate real-time delivery and inventory management, and improve turnover and credit control.

(2) Manufacturing plan

- (A) Execute production education and training to improve production capacity and effectively improve the equipment utilization rate and production efficiency.
- (B) Increase the output value of niche products and expand the production scale of oscillator and crystal product lines to maximize production efficiency and increase market share.
- (C) Continuously improve equipment automation and promote smart production to reduce manual work and save production costs.

(3) Operation plan

- (A) Organize and rectify the environmental space planning, rules and regulations, and comprehensive business information integration of each factory and office; and optimize the operation management efficiency.
- (B) Promote quality, environmental safety, and social responsibility system certification upgrade; implement rigorous information security operations; and comprehensively enhance competitiveness.

2. Long-term development plan

- (1) We deeply penetrate into IC design companies, maintain long-term cooperative relations, grasp the market dynamics at first hand, laying the foundation for global development. At the same time, we continue to expand the development of North America, China, and emerging markets that are growing.
- (2) Integrate internal and external resource scheduling.
- (3) Continue to promote strategic client seminars and exchanges, provide comprehensive solutions, and form close cooperation partnerships with international manufacturers.
- (4) We will continue to develop related process technology in response to the development of product miniaturization and high quality.
- (5) Consolidate internal and external resources to develop special One Chip ASIC.
- (6) Continue to promote industry–academia exchanges and cooperation, expand talent training mechanisms, and enhance competitiveness.

II. Market and Sales Overview

(I) Market Analysis

1. The sales regions of the main products are as follows:

Export has been the mainstay of the Company's sales. In recent years, the Company has adopted a strategy to cultivate terminal operators in Europe, the United States, China and the local market. In addition, through the international OEM model, the proportion of private brands has increased. In the past few years, the marketing resource integration effect of the U.S. subsidiary has not met expectations, resulting in a continued dominance of the Asian market in 2024, while the proportion of sales in the Americas and Europe has declined.

Unit ; NT\$ thousand

Area \ Year	2024		2023	
	Net sales	Proportion (%)	Net sales	Proportion (%)
Asia	1,007,695	67.02	902,693	57.13
Americas	260,344	17.32	309,365	19.58
Europe	119,367	7.94	181,600	11.49
Other Area	12,565	0.84	16,883	1.07
Taiwan	103,481	6.88	169,630	10.73
Total	1,503,452	100.00	1,580,171	100.00

2. Market share, future market supply, demand status, growth, competitive nic

(1) Market share

In 2024, the global market for crystal components declined from the level in 2023 due to the excessive backlog of inventory after the shortage of materials in 2023 after competing for parts and components. Among the top ten manufacturers in the world, except for the Japanese manufacturers, the rest of the manufacturers accounted for 2%-7%. According to our estimates, TAITIEN is ranked among the top 15 companies in the global market. As the demand in the AI market continues to increase, the growth of the network equipment and data center markets will be driven. TAITIEN is actively cultivating the related industrial markets, continuing to develop crystal oscillators (XO), differential outputs of crystal oscillators (Differential XO) temperature compensated crystal oscillators (TCXO), and high-frequency crystal oscillators that are suitable for industrial applications. At the same time, we are committed to expanding into the markets of North America, China, and India, which will be the main driving force for the growth of TAITIEN in the future.

(2) The future supply/demand and growth status of the market

Quartz has a special piezoelectric effect, high Q quality (or low loss), and small temperature coefficient characteristics. As a result, anyone who requires frequency signals and clock pulses can use the physical properties of quartz components to

perform basic signal generation, transmission, and filtering functions. Since quartz is an indispensable and important component in electronic circuits, its product application range is quite broad. Communication products are still the most widely used and fastest-growing field. In this field, downstream applications continue to increase, and product demand is becoming increasingly sophisticated, boosting product demands. Taitien Electronics is actively deploying in emerging application markets. The goal is to drive the growth of the frequency control industry via the tandem industry development method. The following is a forecast of future growth trends in the communications, information, consumer, and automotive electronics industries:

(A) Communication industry

In addition to the United States, which ranks first in terms of scale and output value of the global communication equipment market, China has surpassed Japan to become the world's second-largest producer of communication equipment since 2005. The market has continued to grow steadily every year. Since the world is about to enter 5G mobile communications, telecom operators in various countries are actively upgrading or completely reinstalling next-generation telecom equipment, which is expected to drive another wave of growth.

(B) Information industry

With the new wave of AI, laptops (NB) and desktop computers are expected to see a surge in demand, and the demand for related personal information equipment is expected to grow compared to 2024.

(C) Consumer electronics industry

Primarily includes game consoles, LCD/LED TVs, Bluetooth headsets, and driving recorders with a wide range of applications. Due to the obvious changes in product trends toward functionalization, miniaturization, and lightweight; the boundaries of various portable consumer products have become increasingly blurred; and most of them include the core functions of other portable consumer products as auxiliary functions. Security monitoring systems, medical treatment markets, wearable devices, and VR virtual reality devices have gradually increased momentum. Demands for the Internet of Things products and smart city developments in the market have significantly increased. It is foreseeable that the increase in the number of electronic components and high-end electronic components will increase in the future, and high-end miniaturized quartz components will also be in demand.

(D) Automotive electronics industry

In the automotive market, various car manufacturers have increased the added value of their products to strengthen market competitiveness and increase consumers' willingness to buy. This has fueled the expansion of automotive electronics and the information market as well as the development of related systems. The European Union, Japan, South Korea, Taiwan, and the

Mainland China have successively announced that vehicles must incorporate TPMS in the next few years to enhance driving safety. Besides new car models that brand car manufacturers will launch, there will also be more business opportunities for the existing automobile maintenance (AM) market distributors and auto parts markets. With the increasingly widespread application of the Internet of Vehicles and Advanced Driver Assistance Systems (ADAS), we believe is still room for growth and have actively deployed into the automotive electronics market. In addition, electric vehicles/new energy vehicles also use more electronic components than fossil fuel vehicles. This benefit also increases the production value of frequency control components.

(E) Quartz component supply status

In terms of quartz component manufacturing, Asian manufacturers are the primary source of supply, with Japanese manufacturers being the largest. Due to high production costs, Japan focuses on developing high-end products with high added value and is also significantly ahead of other countries regarding technology. However, the advantages of Taiwanese manufacturers' production and management capabilities, production quality, product development technology, and other capabilities have narrowed the gap with foreign manufacturers. The Taiwanese manufacturers have continued receiving orders from foreign countries, and domestic manufacturers have also been successfully established themselves in mainland China to reduce costs. The scale of operations in Taiwan has been growing in recent years.

(3) Competition niche

(A) Develop high-precision and miniaturized SMD frequency control components

Due to the rapid advancement of science and technology, home-network broadband communication technologies such as personal wireless communication and online games are becoming increasingly mature, and demand is gradually popularized. This prompted the continuous development of basic backbone networks and urban area network bandwidth technology. Moreover, the large-scale application of notebook computers and tablet PCs (Tablet PC), mobile phones with built-in 5G communication and digital camera functions, digital high-resolution audio-visual products replacing traditional audio-visual equipment, and other trends have increased the demand for high-frequency, low-noise, and miniaturized SMD quartz components. The company has completed several high-precision and miniaturized SMD quartz components, such as 2.0 mm x 1.6 mm high-precision SMD quartz crystal oscillator and 2.0 mm x 1.6 mm high-precision quartz crystal oscillator and other smaller 1.6 mm x1.2 mm products.

The Company's products are also used in electric vehicle charging facilities, electric vehicle battery management systems, car audio, tire pressure detectors, engine control, and radar sensors. The subsidiaries in Taipei and Nanjing have both passed the TS 16949 certification, which is of great help to the Company in accepting orders from automotive customers.

- (B) Use the professional division of labor in mainland China, Taiwan, and the United States to strengthen the competitive price advantage

The company has purchased automated production equipment to reduce the demand for production manpower, produced high-value-added products with high-quality domestic manpower, and successively established production bases in Zhengzhou, Nanjing, and other places in mainland China to make the highly cost-sensitive quartz component products more competitive while improving the development and production technology of quartz products. The goal is to take advantage of the manpower in different factories to adjust the production capacity needed to produce corresponding quartz component products. Taitien Electronics also uses its U.S. base to conduct joint technical research and production with Taiwan on high-end quartz components such as OCXO and also receives orders. The production in Chinese factories can strengthen the company's competitive advantage.

- (C) Vertically integrated production capacity

The manufacturing process for quartz crystal products is divided into front-end crystal chips manufacturing and back-end finished product assembly. Since the thickness and angle of the chips are the key factors in determining the frequency and working range of quartz crystal products, the chip manufacturing and design capabilities are critical to the quality, delivery, and cost control of quartz crystal products. The company has purchased equipment and invested in R&D to develop SMD chips to ensure growth performance, master the main raw materials, reduce manufacturing costs, and shorten delivery time. The goal is to master the proprietary technologies for front-end chip manufacturing and back-end finished product assembly. In addition to effectively reducing the proportion of the company's external procurement of raw materials, the vertically integrated production capacity can also significantly enhance the company's market competitiveness.

- (D) High quartz technology mastery and development

The company has obtained patents for several technologies, such as the manufacturing method for the piezoelectric resonant element separated after sealing, time-frequency components, photolithographic etching, and semiconductor processing technologies, Single Layer Array Manufacturing (SLAM) developed to effectively control costs and other miniaturized quartz products. This company is Taiwan's quartz industry leader with a self-developed surface mount and high-precision Temperature Compensated Crystal Oscillator (TCXO). We are the first among the few quartz product manufacturing companies with mass production scale and capacity. Taitien Electronics has a solid background in quartz frequency component development. We have successfully developed high-frequency Voltage Controlled Crystal Oscillator (VCXO) quartz frequency components and mastered the key technologies to provide the best solutions to clients.

3. Favorable and unfavorable factors for development prospects as well as countermeasures

(1) Favorable factors

(A) New functions for communication products introduced have fueled the demand for quartz components

Electronic products such as iPads, 5G smartphones, and other portable electronic products have added personalized functions such as wireless communication, multimedia audio, and video. Since the frequency required to operate a single function varies, incorporating new functions into multi-frequency multi-mode smartphones, video phones, GPS, Bluetooth, digital cameras, etc., requires the addition of at least one additional quartz crystal to provide the basic signal source for each function. The quartz component market is bound to develop toward thinner, lighter, and smaller products as the application functions for portable electronic products have gradually increased. Therefore, the demand for SMD Type quartz crystals will continue to grow, and the company can mass-produce miniaturized products with a size of 1.6 mm x 1.2 mm. The 7.0 mm x 5.0 mm and 5.0 mm x 3.2 mm SMD Temperature Compensated Quartz Oscillator (TCXO) and next-generation miniaturized SMD Variable Voltage Controlled Quartz Oscillator (VCXO) for communication equipment Stratum 3, small cell, and other products can all meet the demands of the high-speed network and communication equipment market.

(B) The demand for quartz in the information industry continues to grow

In terms of information technology (IT) applications, the quartz components mainly used are quartz crystals and quartz oscillators. Although the IT industry is relatively more mature than the telecommunications industry and is experiencing a slowdown in growth, the emergence of new AI demands has kept laptops (NB) on a growth trajectory, including AI PCs and AI NBs. As product specifications continue to miniaturize, the quantity and value of quartz components used in the information industry are expected to grow steadily.

(C) The application of electronic products in the automotive market will grow in popularity

Electronic-related system configurations in automobiles have gradually become popular. The electronic equipment only available in high-end cars in the past has become standard for all types of vehicles. Such equipment, including satellite navigation systems, onboard audio-visual equipment, and automotive safety equipment-related products such as tire pressure detection, drunk driving or drowsiness safety detection and prevention technology, and driving recorders, all require high-precision and reliability frequency control components. The automotive market was affected by the shortage of related automotive ICs in the past few years. However, the increase in sales of electric vehicles/new energy vehicles and the expansion of the scope of application of automotive electronics have led to a rapid increase in the demand for frequency control components. In this regard, TAITIEN has completed the production of 2.0×1.6×0.55 mm high-precision SMD quartz crystal oscillator and 2.0×1.6×0.75 mm SMD high-precision quartz crystal oscillator and other related products that can be used in automotive electronics. This also contributes to the development of the

automotive electronics market.

- (D) The peers in the industry have adopted strategic alliances and mergers to replace mutual competition with cooperation

The quartz component product technology has matured. Several Chinese manufacturers have begun production, and related manufacturers have purchased advanced production equipment. As a result, the price competition for quartz components has intensified. There are currently few major foreign manufacturers with production expansion or investment plans. After the excessive competition, the peers in the industry have gradually launched strategic alliances and mergers.

The global quartz industry chain companies have continued integrating and cooperating to expand their product portfolios. The quartz component industry is developing towards healthy competition, which will also positively impact the existing manufacturers' operations.

(2) Unfavorable factors

- (A) Numerous new entrants in China have continued to intensify competition pressure on quartz products

The entry threshold for electronic components in the entire electronic product chain is not high, and the standardization for external quartz crystals has matured. Recently, Chinese manufacturers have taken advantage of their production requirements and subsidies to compete in the market.

Countermeasures:

Reduce the acquisition cost for DIP and low-level SMD products via operation commercialization and improve product competitiveness. Moreover, invest in R&D, production, and marketing for high value-added products such as high-frequency oscillator, VCXO, TCXO, and OCXO to strengthen the added values for products and increase profit margin.

- (B) Difficult to find high-level quartz talents

Due to the black hole effect of talent absorption in Taiwan's semiconductor industry and the domestic colleges and universities that have not established special departments to cultivate talents in the quartz-related field, it is difficult to find talents for quartz components or promote related training programs.

Countermeasures :

The company uses long-term accumulated practical expertise in product development and process parameter setting to implement on-the-job education and training for technology and R&D personnel. We also implement strategic acquisitions. For example, the United States Taitien focuses on the product and technology development of high-end OCXO quartz components. We also enter into strategic partnerships to jointly develop the relevant technologies to improve the technical level.

- (C) Main raw materials must still rely on imports

Japan is the world's largest quartz components supplier. Domestic manufacturers rarely put key raw materials such as ceramic package bases or upper covers into production and must rely on imports from Japan.

Countermeasures :

The company has maintained a strong transactional relationship with Japanese packaging material suppliers over the past few years. The company has actively developed new raw material suppliers to diversify procurement sources and maintained a cooperative relationship with the original transaction manufacturers to reduce supply shortage risks. At present, there are two to three main supply sources. The company cooperates with ceramic substrate hybrid circuit manufacturers to develop resonator substrate materials jointly. The goal is to gradually overcome the installation material monopoly from Japan. In sum, the company's material supply is stable.

(D) Global trade order restructuring

At a time when the global economic system is rising due to U.S./European protectionism, the global economic ecology has changed again, and the market demand is currently immersed in an uncertain atmosphere.

Countermeasures :

The company has always actively cultivated the various high-end quartz oscillator product line application markets. We aim to diversify the sales risks for quartz oscillator products of all phases and maintain consistent, high-quality requirements. Despite the economic downturn, we have gained a firm foothold in the demanding Netcom market. We also cooperate with mainstream clients and IC chip manufacturers in the terminal consumer market to better satisfy the market demands and reduce single-market sales fluctuations by forming regional distribution relationships. Taitien is committed to developing products that cater to market needs as we anticipate fruitful harvests brought by the economic recovery.

Due to the increased pressure of RMB appreciation due to the salary cost in China and trade issues with major countries, the Company promotes the local transaction to be denominated in RMB and to diversify the operation of the currency.

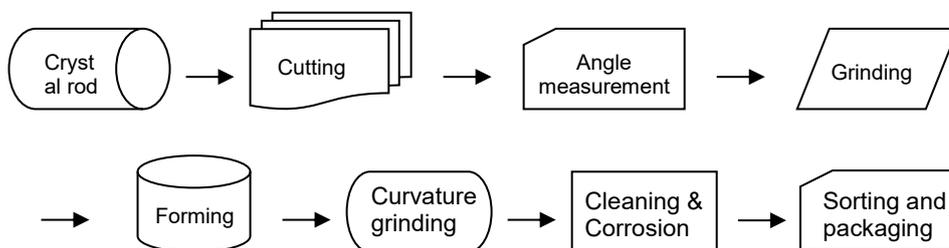
(II) Production Procedures of Main Products

1. Major Products and Their Main Uses

Product Type	Main Products	Purpose
Crystal	Crystal Unit · SMD Crystal	3D hardware and touch screens, automotive audio-visual product computers (motherboards, interface cards), mobile phones, game consoles, digital cameras, printers, mice, Bluetooth, security monitoring systems,
Oscillator	Oscillator · SMD Oscillator	medical network and telecommunications equipment, computers (motherboards, interface cards), home appliances, mobile phones, security monitoring systems,
	VCXO	medical modems, wireless communication systems, fixed network base stations,
	TCXO	wireless communication systems, fixed network base stations, mobile phones, GPS satellite positioning systems,
	OCXO	digital meter fixed network base stations, wireless communication base stations, measuring instrument equipment, and radar systems.

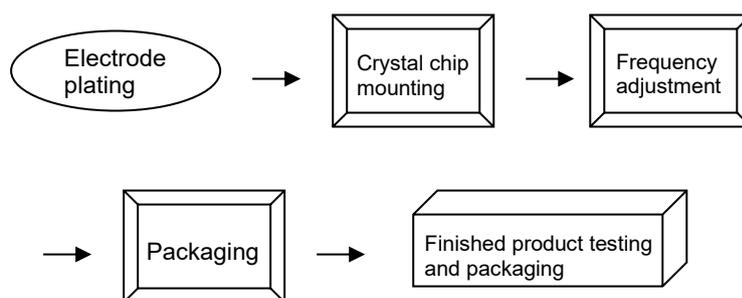
2. Major Products and Their Production Processes

(1) Pre-process



Production process for the main “chip” quartz crystals and oscillators. Crystal rods are cut into specific thicknesses and slices according to the basic design and then sorted according to the required angle. After classification, the frequency is adjusted by coarse and fine grinding according to the predetermined frequency design. The frequency sheets are formed into strips or discs specified by the post-production process through machining. The bold strips or discs are processed according to the degree of design requirements. After processing and shaping, the residual surface value is removed and cleaned, and the frequency and appearance are inspected and classified. The qualified products are put into storage.

(2) Post-process



Production process for quartz crystal or quartz oscillator from raw material assembly to packaging processing: After the wafer is cleaned, it is mounted on a designated design fixture, placed in a vacuum evaporator, and the metal electrode surface is plated. They are inlaid in a single base or an IC circuit-processed base according to the crystal or oscillator types. The frequency adjustment machine achieves the designed frequency by adjusting different metals according to the precision requirements. After the midway inspection, the base and the shell are welded or soldered. After packaging, different degrees of aging is further verified, and frequency testing is conducted to ensure the product can meet the client's needs. After confirmation by the quality control department, the appearance labeling and packaging are executed according to the client's designation or standard specifications.

(III) Supply Status of Main Materials

Major Raw Materials	Source of Supply	Supply Situation
Blank	Timemaker 、CRYSTRON 、TCST 、Citizen 、KSD 、HUNAN KEXINTAI 、TAITIEN ELECTRONICS (SHENZHEN) CO., LTD.	1. The mid-to-long-term material demand operation mode adopted by the group depends on the operation plan and suppliers to coordinate supply and negotiate prices. 2. Regular supplier quality evaluation and mutual visits to exchange market information. 3. All regular products require over 2 suppliers to ensure a stable supply.
BASE	Kyocera 、NGKED 、CCTC	
IC	NPC 、AKM 、NJRC 、Interchip 、LIGHT-CLOCK	
Cover	Wanotec 、NGKED 、AnHui Jing Sai Technology Co.,LTD.	

(IV) The name of the client accounted for over 10% of the total procurement (or sales) amount in any of the last 2 years, and the sales amount and percentage, explain the reason for its increase or decrease.

1. Major supplier information

Unit : NT\$ thousand

Item	2023				2024				2025 as of the 1st quarter			
	Name	Amount	Percentage accounted for to annual net purchases (%)	Relation with the issuer	Name	Amount	Percentage accounted for to annual net purchases (%)	Relation with the issuer	Name	Amount	The ratio of net purchases in the current year up to the previous quarter (%)	Relation with the issuer
1	Others	546,004	100.00	None	Others	606,470	100.00	None	Others	212,445	100.00	None
2	Net purchase amount	546,004	100.00	None	Net purchase amount	606,470	100.00	None	Net purchase amount	212,445	100.00	None

Reason for increase or decrease: The company has no suppliers accounting for over 10% of the total purchases.

2. Major Clients

Unit : NT\$ thousand

Item	2023				2024				2025 as of the 1st quarter			
	Name	Amount	Percentage accounted for to annual net sales (%)	Relation with the issuer	Name	Amount	Percentage accounted for to annual net sales (%)	Relation with the issuer	Name	Amount	The ratio of net purchases in the current year up to the previous quarter (%)	Relation with the issuer
1	None	0	0	0	A customer	168,825	11.00	None	A customer	58,224	13.00	None
2	Others	1,580,171	100.00	None	Others	1,334,627	89.00	None	Others	376,399	87.00	None
3	Net sales amount	1,580,171	100.00	None	Net sales amount	1,503,452	100.00	None	Net sales amount	434,623	100.00	None

Reason for increase or decrease: Due to the increase in order demand from A customer.

III. Consolidated employee data for the most recent year:

Year		2023	2024	2025 and as of the printing date of this annual report
Number of Employees	Indirect Personnel	355	365	360
	Direct Personnel	316	342	361
	Total	671	707	721
Average Age		42.66	42.16	42.19
Average Years of Service		12.57	11.56	12.06
Education (%)	Ph.D.	0.30	0.30	0.27
	Masters	2.53	2.70	2.49
	Bachelor's Degree	38.30	40.20	39.82
	Senior High School	34.58	35.20	36.20
	Below Senior High School	24.29	21.60	21.22

IV. Environmental Protection Expenditure

Losses incurred due to environmental pollution (including compensation and environmental protection audit in violation of environmental protection laws and regulations, the date of disciplinary action, the case number, the laws and regulations violated, the content of infringements and disciplinary actions must be listed) in the most recent year and as of the publication date of the annual report. Please also disclose the estimated amount that may occur at present and in the future as well as the corresponding measures. If a reasonable estimate cannot be made, please state the fact why it cannot be reasonably estimated: None.

V. Labor Relations

- (I) The company established the Employee Welfare Committee and the Retirement Reserve Fund Supervision Committee to handle various employee welfare measures according to the people-oriented social responsibility policy. We also provide employees with opportunities for further study and training, labor–management agreement negotiations, and employee rights protection measures :

1. Employee welfare measures

Category	Item
Insurance and Retirement Protection	Labor insurance, national health insurance, group insurance, and labor pension appropriation.
Medical insurance	Group insurance, occupational accident insurance, and regular health exams.
Events	Birthday parties, department dinners, year-end parties, employee lottery, employee travel, and unscheduled group ball games or competitions.
Profit sharing	Employee remuneration and employee stock ownership trust system.
Bonuses	Three Festival bonus, birthday bonus, maternity bonus, hospital condolence, and funeral allowance
Facilities	Car and motorcycle parking spaces, nursing room.
Emergency assistance	Subsidy is provided according to the actual employee status.
Other Benefits	Provide promotion channels, reward employees for proposals, commend senior and outstanding employees, provide further study for employees, and offer scholarships for employees' children.

The company offers a variety of activities. In addition to holding dinner parties in the factory once every six months, we also provide funds for cross-departmental dinners to allow employees to meet during off-duty hours, communicate with peers, and enhance mutual interaction. We also handle annual domestic employee travel to increase mutual exchanges with employees and their relatives.

To incentivize employees' children to study hard, the Employee Welfare Committee offers scholarships to employees' children for the first and second semesters every year. All employees' children studying in high school, vocational schools, colleges, or universities can apply; about 20 have passed the review every year and received scholarships.

We also provide birthday bonuses, three traditional festivals celebration bonuses (for Spring Festival, Dragon Boat Festival, and Mid-Autumn Festival), wedding allowances, and funeral condolences to our colleagues.

2. Staff education and training

The company combines the training, assessment, and promotion procedures for employee selection, training, appointment, and retention. The goal is to improve employees' management and professional technical abilities, effectively develop human resources, and train excellent leadership and professional talents. The company also provides diversified education and training courses according to the

working needs of employees and matches their work expertise. At present, colleagues can improve their professional ability through internal training, external training, OJT, and communication between superior managers/colleagues. We also offer opportunities such as job rotation, technical exchanges to overseas factories, and overseas assignments so employees can challenge themselves and achieve mutual growth between the company and employees. In recent years, the Company has also encouraged management to participate in continuing education (EMBA) and has outsourced courses related to quality awareness, such as the international automotive industry standard VDA6.3 process audit, actively promoting the enhancement of employee skills and knowledge.

The company's employee education and training management measures and annual training courses conducted according to the employees' professional skill requirements of functions are designed to enhance their learning ability and improve work efficiency.

In 2024, the total training hours reached 7,459 hours, with average total training hours of 7.5 hours. The average training hours for men and women by positions are shown in the table below:

Category	Gender	Number of hours	Person-time	Average number of hours/person
Supervisory position	Man	71	57	1.3
	Woman	109	67	1.6
Technical position	Man	486	290	1.7
	Woman	12	10	1.2
Administrative position	Man	60	37	1.6
	Woman	291	173	1.7
Operator	Man	653	42	15.5
	Woman	5,777	315	18.3
Total		7,459	991	7.5

The average training hours for operators in the above table is higher. The reason is that as we provide customers with high-quality products, production line operators, who directly affect the product production yield, must be trained in a rigorous manner. Every year, we continue to promote the evaluation of production line positions and the cultivation of multi-skilled workers, which focuses on the more technical stations in the production process, and to continue the training of the second and third specialties for the production line operators, to cultivate the multi-skilled capabilities of the personnel. The purpose is to make the assignment of work more flexible and increase efficiency, improve the stability of personnel in production operations, and ensure the suitability of personnel.

- ※ From January to November in 2024, the Company actively organized English training courses, hoping to connect employees to customers and strengthen the capabilities of our employees when it comes to responding to customers.
- ※ In 2024, we continued to organize product knowledge and quality awareness

courses to improve the professional knowledge of products and quality management capabilities of employees, reduce possible risks, and improve product yields.

3. Retirement system and implementation status:

The company has established Employee Retirement Management Measures according to the Labor Standards Act, and employee retirements are handled according to the retirement regulations and the company's retirement management measures. The company also has a Labor Retirement Reserve Fund Supervisory Committee that holds regular quarterly meetings, allocates retirement reserve funds monthly, and deposits them in the special Labor Retirement Reserve Fund account of the Central Trust of China. Employees who join the company after July 1, 2005, and the original employees who choose to apply the new pension regulations that went into effect on that date according to the Labor Pension Act shall have 6% of their monthly salary deposited into the individual labor pension account established by the Bureau of Labor Insurance.

4. Labor-management agreement status and various employee rights protection measures:

The company's labor-management relationship has always been harmonious. We have set up suggestion boxes in the office and factory areas and established a special area for feedback and complaints on the internal website to collect employees' opinions extensively. We also hold regular labor-management meetings to promote communication between labor and management and safeguard the rights and interests of employees.

(II) Certification status for finance-related personnel:

1. The professional agents for the company's financial and accounting supervisors have passed the "Continuing Education Program for Accounting Officers of Securities Issuers, Securities Dealers, and Stock Exchanges" organized by the Accounting Research and Development Foundation.
2. The financial supervisor of the company has obtained the international Certified Internal Auditor (CIA) certificate.
3. The company's auditors have passed the continuing education course exams organized by the Institute of Internal Auditors-Chinese Taiwan.
4. The company's auditors have passed the continuing education course exams organized by the Institute of Internal Auditors-Chinese Taiwan.
5. The company's stock affairs personnel have obtained the "Stock Affairs Specialist Professional Aptitude Qualification Certification" issued by the Securities and Futures Market Development Foundation.

(III) Is there a code of conduct or ethics for employees:

1. The company has formulated the "work rules" for employees to follow, and the contents are summarized as follows:

(1) Employee integrity obligation management:

- (A) Employees must honestly abide by the company's policies and provisions and obey the supervisors' reasonable instructions.

- (B) Employees should focus on their work duties, maintain work orders, develop team spirit, and improve work efficiency.
 - (C) Employees should maintain the company's reputation. Any matters sufficient to affect the company's reputation shall be made readily available to the supervisors and shall not be concealed.
 - (D) The company's business secrets, such as affairs, operations, finances, technologies, policies, production plans, personnel dynamics, and important decisions, shall be strictly guarded and not be leaked or otherwise violated. The same shall apply after resignation.
 - (E) Take appropriate conduct discretions and maintain the company's reputation. Do not request customers or manufacturers to provide entertainment, gift, commission, payment, or other undue benefits.
 - (F) Drugs, gambling, and other illegal activities are prohibited.
 - (G) The relevant forms must be detailed and not contain forgery or conceal the facts. Do not arbitrarily read through the documents, correspondences, or relevant information of others.
 - (H) Caseloads shall be handled practically without backlogs. The assets or documents must be safeguarded carefully and shall not leave the premises or become damaged, or lost. In case of an accident, the assets must be protected carefully.
 - (I) Procurement or auditing duties shall be performed impartially without bias.
 - (J) Do not use the job as an opportunity to solicit or request benefits for the relevant enterprises, family members, or individuals.
 - (K) Do not engage in cash loan transactions with clients or vendors.
 - (L) Employee operations must abide by the various laws and relevant professional ethics specifications and must not infringe on the rights and interests of others.
- (2) Employee activity management:
- (A) Employees shall not incite others to engage in illegal strikes and refusal to work.
 - (B) Employees shall not engage in activities such as stocks, futures, marketing, or direct sales in the work premises.
 - (C) Comply with the work and rest hour rules and do not conduct private businesses during work hours.
- (3) Equipment material management:
- (A) Employees shall use the company's vehicles, office appliances, equipment, and consumables properly and according to the relevant equipment or material utilization rules.
 - (B) Avoid using private telephone, fax, photocopy, e-mail, etc. for non-official duties.
 - (C) Employees shall not use company property for personal purposes.
 - (D) Employees must apply for prior approval before removing any company property.
2. The company shall conduct employee evaluations based on internal assessment methods. This Code of Conduct is issued to employees to read on the registration day, and a copy is posted on the company's internal bulletin boards. All employees are urged to abide by the Code of Conduct and the work rules.

(IV) Work environment and employee personal safety protection measures:

1. The company has established the "Occupational Safety and Health Code" according to the "Occupational Safety and Health Act," which has been approved by the competent authority and publicly published. Employees must comply with the Code, which is regularly updated according to the laws to meet legal requirements.
2. According to the law, the company has established labor safety and health management organizations and personnel to oversee labor safety and hygiene-related matters and hold regular safety and health conferences to review and improve safety and health-related issues.
3. The company may regularly organize measures such as educational training, health inspections, fire or chemical protection drills, or other relevant activities from time to time. The goal is to ensure employees understand the important responsibilities and obligations for safety and health.
4. All employee operations must comply with the safety rules and implement automatic inspections according to the relevant regulatory requirements to reduce the risk of accidents.

(V) The losses suffered due to labor disputes in the most recent year and up to the publication date of this annual report (including labor inspection results that violate the Labor Standards Act, the date, scale, case number, the statute violated, the content of violation, and the content of punishment), and disclose the estimated amount that may occur at present and in the future as well as the corresponding measures:

The company has harmonious labor relations with its employees and has not suffered any losses due to labor disputes. No such losses are expected in the future.

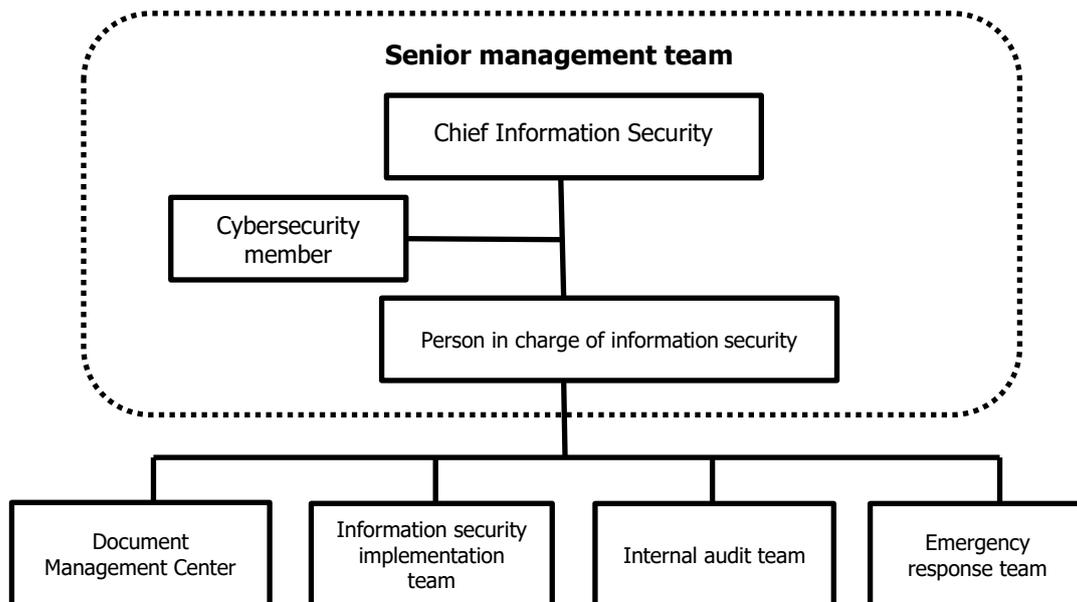
VI. Cyber security management

(I) Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management:

1. We have established an "Information Security Management Committee" to specify the authority and responsibility of personnel responsible for information communication security management operations, coordinate affairs and promote information communication security management matters. We ensure the effective and continuous implementation of various information communication security management regulations to achieve the policy and goal of information security. Furthermore, we have set up one dedicated information security supervisor and one dedicated information security personnel.

The number of meetings of the Information Security Committee in 2024: 2.

2. Organizational chart of information security committee



The Chief Information Security Officer is served by the deputy general manager of the General Manager’s Office, who shall preside over management reviews and various information and communication security meetings, review information and communication security management matters, make decisions or arbitrations on major matters, and review the resources required for relevant measures, including manpower, time and budget, and allocation of related resources.

The person in charge of information security is served by the Manager of information department, who manages and coordinates each team to supervise and execute the Information Security Management System (ISMS) and other information security work, and reports the conclusions of the ISMS management review meeting and the results of the execution to the “Chief Information Security Officer.”

The cybersecurity members are served by the head of each department, who attends the management review meeting and provides reviews, consultations and suggestions related to cybersecurity management.

The Document Management Center is responsible for maintaining the “Information Security Management System (ISMS)” document-related operations.

The information security implementation team is responsible for implementing and controlling various information security operations, and handling information security incidents.

The emergency response team is formed immediately when a major information security incident or serious security incident has been primarily determined.

3. Cybersecurity management policy:

- ◆ Implement cybersecurity and enhance IT services

All employees should implement the “Information Security Management System (ISMS)” and ensure the confidentiality, integrity, and availability of operating data in

all information communication operations. This prevents leakage arising from external threats or improper management of internal personnel and damage or loss. We select appropriate protective measures to reduce the risk to an acceptable level, continue to monitor, review and audit to strengthen information services and improve service standards.

- ◆ Strengthen information security training and prepare for response
Supervise the implementation of information and communication security management for all employees, and continue to conduct appropriate information security training every year to establish the concept of “everyone is responsible for information security.” At the same time, we urge our colleagues to understand the importance of information and communication security, and comply with information and communication security requirements. By doing this, we are able to improve the information communication safety communication and response capacity of all employees, reduce information communication security risks, and achieve the goal of continuous operation.
- ◆ Rapid disaster recovery to ensure business continuity
We formulate emergency response and disaster recovery plans for key services and important information assets. As well as this, we regularly implement emergency response plans and drills to ensure that the core information systems or the occurrence of a major disaster. This way, we ensure that our critical business can continue to operate while mitigating losses.

4. Specific management program:

Items	Specific management program
Safety management of mainframe equipment	<ul style="list-style-type: none"> ● Mainframe and application servers are placed in a dedicated server room with access control. ● Separate air-conditioning in the server room keeps the mainframe operating at optimal temperature ● The server rooms are equipped with UPS and an emergency generator system to provide emergency power supply to the server rooms.
Network security management	<ul style="list-style-type: none"> ● A firewall is installed for the external network to block hackers' illegal access ● For user access, malicious websites or programs such as Trojan horses are filtered. ● If a special connection is required, additional application for access is required. ● To log in to the company remotely, employees must apply for a VPN account and access the internal system through the VPN security means.
Mail safety control	<ul style="list-style-type: none"> ● A spam filtering system is in place to filter out viruses, malicious or spam emails. ● After receiving emails from personal computers, anti-virus software also scans attachments to prevent unsafe attachments or URLs. ● Conduct social engineering drills on a regular basis to raise employees' awareness of information security.
Virus prevention and management	<ul style="list-style-type: none"> ● Anti-virus software is used, and the virus code is updated automatically to reduce the chance of virus infection.
System access control	<ul style="list-style-type: none"> ● The use of each system shall be in accordance with the application process for system permission as stipulated by the Company. Only after approval by the supervisors with relevant authority and each

	<p>system administrator gives permission according to the requested function or authority is access granted.</p> <ul style="list-style-type: none"> ● The password setting of the account requires a certain degree of complexity, a mixture of characters, upper and lower case English letters, numbers, and mixed special symbols. In addition, the passwords are changed regularly. ● When processing departure, the information department will delete the accounts in each system.
Information security dissemination and training	<ul style="list-style-type: none"> ● Information security information is disseminated from time to time to raise employees' awareness of information security. ● Education and training are held regularly to improve employee alertness
Data backup system	<ul style="list-style-type: none"> ● A backup mechanism is established for important data. In addition to local backups, off-site backups are made regularly. ● Regular disaster recovery drills for the core information system
Information security management	<ul style="list-style-type: none"> ● Establish an Information Security Management System (ISMS) ● Conduct risk inventory and evaluation on information assets on a regular basis, and take countermeasures or control measures based on the evaluation results. ● Join the TWCERT/CC information security defense organization to strengthen the information security defense system and the sharing of threat intelligence. ● Regular technical tests ● Establish a threat detection and defense mechanism

(I) List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom (e.g., impact on operations or goodwill), and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

On January 12, 2025, the Company experienced an information security incident, resulting in an estimated loss of NT\$650,000. However, this incident did not have a significant negative impact on the Company's business or operations. The following countermeasures were taken:

- 1) Enhanced internal network isolation: Strengthened internal network isolation, allowing only necessary connections.
- 2) Strengthened backup management: Improved backup management and reinforced regular drills and testing.
- 3) Threat detection and defense: Established a cybersecurity threat detection and defense mechanism, continuously improving detection and defense capabilities through monitoring and analyzing abnormal network activity.
- 4) Increased employee awareness: Conducted irregular awareness campaigns and held cybersecurity training to enhance employee vigilance.
- 5) Learning from experience: Learning from the experience to prevent future security incidents.

VII. Important Contracts

Agreement	Counterparty	Period	Major Contents	Restrictions
Sales Contract	Acal plc	92.05.01	Product Sales	None
Sales Contract	NOKIA CORPORATION NETWORKS	95.06.01	Product Sales	None
Sales Contract	Alcatel Shanghai Bell Co., Ltd.	96.11.01	Product Sales	None
Sales Contract	Siemens Home and Office Communication Devices GmbH & Co. KG	96.07.25	Product Sales	None
Distributorship Agreement	Taiden Japan Co., Ltd	96.12.05	Product Sales	None
Procurement Contract	Kyocera Asia Pacific Ltd	96.06.01	Product Sales	None
Procurement Contract	Asahi Kasei EMD Corporation	96.06.01	Product Sales	None

Note: The contract shall be extended automatically upon expiration.

Five. Review of Financial Conditions, Financial Performance, and Risk Management

I. Analysis of Financial Status

Unit: NTD thousand

Year Items	2024	2023	Difference	
			Amount	%
Current assets	1,520,890	1,571,482	-50,592	-3.22
Property, plant and equipment	452,372	444,694	7,678	1.73
Other assets (including long-term equity investments and intangible assets)	192,169	122,119	70,050	57.36
Total assets	2,165,431	2,138,295	27,136	1.27
Current liabilities	406,972	380,914	26,058	6.84
Other liabilities	159,360	179,986	-20,626	-11.46
Total liabilities	566,332	560,900	5,432	0.97
Capital shares	683,338	683,338	0	0
Capital surplus	398,096	408,346	-10,250	-2.51
Retained earnings	561,920	584,118	-22,198	-3.80
Other equity- others	(44,255)	(98,407)	54,152	-55.03
Total equity	1,599,099	1,577,395	21,704	1.38

Analytical explanation of changes in percentage

- Other assets (including long-term equity investments and intangible assets): The change was mainly due to the increase in other non-current assets.
- Other equities – others: The change was mainly due to the increase in exchange differences from translation of the financial statements of foreign operations.

II. Financial Performance

1. Analysis of Financial Performance

Unit: NTD thousand

Year Items	2024	2023	Increased/decreased amount	Change ratio (%)
Net operating revenue	1,503,452	1,580,171	-76,719	-4.86
Operating costs	1,163,388	1,154,145	9,243	0.80
Gross profit	340,064	426,026	-85,962	-20.18
Operating expenses	346,766	344,714	2,052	0.60
Operating profit	(6,702)	81,312	-88,014	-108.24
Non-operating income and expenses	53,888	40,308	13,580	33.69
Net income before tax	47,186	121,620	-74,434	-61.20
Income tax expenses	19,819	33,444	-13,625	-40.74
Cumulative effect of changes in accounting principles	0	0	0	0
Net profit (loss) after tax	27,367	88,176	-60,809	-68.96

Analytical explanation of changes in percentage

- Gross profit: Please refer to the change in gross profit.
- Non-operating income and expenses: the change is due to the increase in net foreign currency exchange gain for the period.
- Net income before tax and net income after tax: Due to the decrease in operating revenue and gross profit, the net profit before tax and after tax also decreased significantly

2. Analysis table of changes in consolidated operating gross profit

Unit: NTD thousand

Items	Change between previous and subsequent periods	Reason for difference			
		Price difference	Cost price difference	Sales portfolio difference	Volume difference
Crystal	(28,632)	(97,517)	41,651	(2,102)	29,336
Crystal Oscillator	(56,607)	(465,270)	308,026	19,944	80,693
Others	(723)	—	—	—	—
Total	(85,962)	—	—	—	—
Remarks	<p>In the current period, due to the rebound in customer demand, there was an increase in the demand for quartz components, leading to higher sales volumes and generating favorable volume variances.</p> <p>While the demand for quartz oscillators remains in specific markets, the market prices have declined significantly, resulting in unfavorable price variances.</p> <p>However, under the Company's strict cost control, this led to favorable cost price variances</p>				

III. Cash flow

1. Consolidated cash liquidity analysis for the coming year

Items	Year		
	2024	2023	Increase (decrease) amount
Cash flow ratio	35.57%	93.08%	-57.51%
Cash flow adequacy ratio	114.46%	121.60%	-7.14%
Cash flow reinvestment ratio	2.74%	4.30%	-1.56%
<p>Analytical explanation of changes in percentage</p> <p>1. The cash flow ratio for the current period decreased compared to the previous period, primarily due to a reduction in pre-tax net profit, which resulted in a decrease in net cash inflows from operating activities, leading to a decline in the cash flow ratio.</p> <p>2. The cash flow adequacy ratio decreased compared to the previous period due to an increase in capital expenditures during the current period.</p> <p>3. The cash reinvestment ratio decreased compared to the previous period, primarily due to a reduction in pre-tax net profit, which led to a decrease in net cash inflows from operating activities.</p>			

2. Improvement plan for lack of liquidity: none

3. Cash liquidity analysis for the coming year:

Unit: NTD thousand

Beginning cash Balance (1)	Estimated annual net cash inflow from operating activities	Estimated annual cash outflow (3)	Estimated remaining (shortfall) cash amount (1) + (2) - (3)	Remedy for estimated cash shortage	
				Investment plan	Investment plan
707,636	341,209	869,271	179,574	-	-
<p>Analysis of changes in cash flows for the current year (the coming year):</p> <p>1. Operating activities: Operating conditions are expected to grow continuously in the current year, which will result in an increase in net cash inflows from operating activities.</p> <p>2. Investing activities: The planned equipment replacement and land acquisition resulted in an increase in net cash outflow from investing activities.</p> <p>3. Financing activities: As the Company's operations continue to recover, the net cash outflow from financing activities decreased.</p> <p>4. Remedy for estimated cash shortage and liquidity analysis: It is anticipated that the Company's operating conditions will continue to improve in 2025, leading to an increase in profitability. Therefore, cash will remain sufficient to meet operational needs.</p>					

IV. The annual report shall describe the effect upon financial operations of any major capital expenditures during the most recent fiscal year: None.

V. The annual report shall describe the Company's reinvestment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year:

1. Equity investment policy for the most recent year: Expanding production and sales in the field of communication products.
2. The main reason for profit: Although customer demand declined in the current period and sales revenue dropped, the Company still made a profit after tax due to strict control of costs and expenses.
3. Improvement: None.
4. Investment plans for the coming year: None

VI. Analysis of Risk Management:

- (I) The effect upon the Company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future:
1. The effect upon the Company's profits (losses) of interest rate fluctuations, and response measures to be taken in the future.

In 2024, the Company's interest income amounted to \$12,108 thousand—0.81% of operating revenue, which was mainly due to the use of funds from bank deposits; in 2024, interest expense amounted to \$3,334 thousand—0.23% of operating revenues, which was mainly due to borrowings from bank financing. In summary, the Company's interest income and interest expense as a percentage of operating income for the most recent year are still small; therefore, the risk of changes in interest rates is limited. In addition, the Company regularly evaluates bank borrowing rates and maintains good relationships with banks to obtain more favorable rates and reduce interest expenses.

2. Impact of exchange rate changes on the Company's profit and loss in the most recent year and response measures

The Company's export exceeded more than half of its annual revenue in 2024. Therefore, changes in foreign exchange rates are closely related to the Company's operating income. Accordingly, the Company adopts a conservative and prudent approach to managing foreign exchange risk in order to minimize the impact of exchange rate fluctuations on the Company's operating profit.

The specific measures taken by the Company to reduce the impact of exchange rate changes on revenue and profitability are as follows:

- (1) The Company shall collect information on exchange rate fluctuations and maintain close contact with banks to fully grasp the trend of the exchange rate and take prompt measures to exchange foreign currency.
- (2) The Company shall adequately offset receipts and payments in the same currency to directly reduce the risk of exchange rate fluctuations.
- (3) The Company opened foreign currency deposit accounts and adjusted its foreign exchange positions in a timely manner to avoid foreign exchange risk.

- (4) Regarding allocation for foreign exchange, the Company shall use its own foreign exchange income to cover foreign exchange expenses in order to effectively reduce the exchange risk.
 - (5) The Company shall take exchange differences into consideration when quoting sales prices in order to protect the reasonable profit of the Company.
3. The effect upon the Company's profits (losses) of changes in the inflation rate, and response measures to be taken in the future.

The Company has not experienced any significant impact on its operations and profitability due to inflation.

(II) Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions

1. Policy regarding high-risk investments, highly leveraged investments; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future

The Company mainly focuses on the operation and development of its own business. It has not made any investment in other high-risk industries. Moreover, the Company has always operated prudently and does not make highly leveraged investments. Therefore, the Company has not made any high-risk investments.

2. Policy regarding loans to other parties; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future

Currently, the Company has no loans of funds to others. If there is a need to lend funds to others in the future, the Company will follow the procedures of loans of funds to others under the internal control of the financing cycle and the regulations governing loans of funds to others.

3. Policy regarding endorsement/guarantee; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future

The Company only provides endorsements/guarantee to its subsidiaries, namely Taitien USA, Inc., Wintron Electronics Co., Ltd. (Zhengzhou), and Pletronics, Inc. Regarding the endorsement/guarantee matters, all procedures are evaluated in accordance with the Company's "endorsement/guarantee regulations." However, the aforementioned endorsement/guarantee has not caused any profit or loss to the Company.

4. Policy regarding derivative commodity transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future

The Company's derivative trading policy is based on the principle of conservatism and prudence. The purpose of trading is to hedge the market risk caused by fluctuations in exchange rates and interest rates. It is not for arbitrage or speculative purposes. In Addition to following the relevant laws and regulations promulgated by the competent authorities and generally accepted accounting principles, the Company will also follow the derivative transaction related regulations established by the Company.

(III) Research and development work to be carried out in the future

1. The Company has 5 R&D projects; 3 of them have been completed; and 2 of them are still in progress in 2024.

Currency: NTD

Item	R&D plan name	Current progress	Estimated time for mass production	R&D expenses to be invested	Key factors for success
1	2016 Differential XO °	70%	2025.03	\$1,000 thousand	Miniaturized packaging design
2	2016 AEC-Q100 Verified CMOS XO °	70%	2025.03	\$800 thousand	AEC-Q-100 Certification

2. R&D plans for the future

(1) The estimated R&D expenditure for 2025 is NT\$58,945 thousand.

Currency: NTD

Item	R&D plan name	Current progress	Estimated time for mass production	R&D expenses to be invested	Key factors for success
1	DIP 14 100MHz Ultra Low Power OCXO	5%	2025.10	\$4,000 thousand	Mechanical design of low power thermostatic oscillators
2	9 x 7 SMD OCXO	10%	2025.06	\$5,000 thousand	Miniaturized Chip Design, Temperature-Controlled Mechanism Design

(IV) Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales

The Company follows applicable laws and regulations at home and abroad. It pays prompt attention to the policy trends and regulatory changes at home and abroad in its industry. Thus, the Company's financial operations have not been affected by major policy and legal changes at home and abroad in recent years.

(V) Effects of and Response to Changes in Technology and the Industry Relating to Corporate Finance and Sales

The Company has superior product development and process improvement technologies, and is actively engaged in market development. Therefore, since the Company's establishment, the Company has not encountered any technological or industry changes that have significantly impacted the Company's finances.

To address information security risks, the Company regularly reviews the effectiveness of information security risk management in light of changes in the internal and external information security environment, while considering the balance between costs, benefits and risks.

(VI) The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures

The Company has always had a good corporate image. It is actively strengthening its internal management to improve management quality and performance. Furthermore, the Company is committed to maintaining its corporate image and complying with

relevant laws and regulations. To date, no significant changes in the Company's corporate image have resulted in a corporate crisis.

(VII) Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans
Expected benefits: to integrate the Group's subsidiaries and maximize the effectiveness of the equity investments to increase investment gain.

Potential risks: The execution will be in accordance with the relevant laws and regulations and the Company's internal management rules.

Response measures: The execution will be in accordance with the relevant laws and regulations and the Company's internal management rules.

(VIII) Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans

The Company has no plans to expand its plants for the most recent year and up to the date of publication. Therefore, it is not applicable.

(IX) Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration

1. Purchase: The Company has no significant concentration of purchases.

2. Sales: The Company has no significant concentration of sales.

(X) Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10%

The shareholdings of the Company's directors and supervisors have been stable during the last few years, and there have been no major transfers or swaps of shares.

(XI) Effects of, Risks Relating to and Response to the Changes in Management Rights

During the most recent year and up to the publication date of the annual report, there was no change in the operating rights of the Company.

(XII) List major litigious, non-litigious or administrative disputes that: (1) involve the company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and (2) have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report : None

(XIII) Other Major Risks

1. Risk management policy:

The goal of the Company's risk management policy is to establish a comprehensive risk management objective. A point, line and surface risk management network can be

achieved through appropriate organizational planning, the departmental objective planning and management in the vertical direction, and the connection of departments in the horizontal direction. By doing so, the Company is able to ensure that the overall objectives of the business are carried out, while identifying and controlling potential risks.

2. Risk management organizational structure :

According to the functional planning of the organization, each organizational unit has its own corresponding risk control domain, which is summarized as follows:

Sales department: The department is responsible for collecting market information, establishing and promoting coordination between production and sales, keeping track of market trends and customer needs, and further satisfying customers' maximum needs.

R&D department: Based on market feedback, the department develops innovative technologies to meet customers' latest development needs and provide the best solutions.

Manufacturing department: Safety control of operation sites, appropriate production strain adjustment, and production manpower deployment management; supply chain maintenance and management to ensure the incoming supply and smooth shipment.

Quality assurance department: product quality risk control, document data security management, hazardous material control plan.

Finance & accounting department: The department plans and maintains sound financial operation, and it also controls and manages financial risks in response to changes in the exchange rates market.

Management department: Allocation and utilization of human resources, establishment and maintenance of environmental safety and health, control of public information, and public relations and external liaison.

Audit office: The office sets up audit plans based on the risk assessment results, regularly audits the appropriateness of each unit's operations and management, maintains the appropriate risk management mechanism, and prepares a report on the audit results for submission.

3. Information security risk evaluation analysis and its response measures:

- (1) For the company's data, a data backup mechanism has been established, and the backup media will be sent to off-site storage. Furthermore, regular restoration walkthroughs are conducted to ensure data security.
- (2) Conduct risk inventory and evaluation on information assets in accordance with the relevant norms and procedures on a regular basis, and take countermeasures or control measures based on the evaluation results.
- (3) On January 12, 2025, the Company experienced an information security incident, resulting in an estimated loss of NT\$650,000. However, this incident did not have a significant negative impact on the Company's business or operations. The following countermeasures were taken:

- (I) Enhanced internal network isolation: Strengthened internal network isolation, allowing only necessary connections.
- (II) Strengthened backup management: Improved backup management and reinforced regular drills and testing.
- (III) Threat detection and defense: Established a cybersecurity threat detection and defense mechanism, continuously improving detection and defense capabilities through monitoring and analyzing abnormal network activity.
- (IV) Increased employee awareness: Conducted irregular awareness campaigns and held cybersecurity training to enhance employee vigilance.
- (V) Learning from experience: Learning from the experience to prevent future security incidents.

VII. Other important matters: None.

Six. Special Disclosure

- I. Summary of Affiliated Companies : Please refer to the Market Observation Post System. The browse path is as follows:**
Market Observation Post System>Single Company>Electronic document download>Three Forms for Affiliates Area
https://mopsov.twse.com.tw/mops/web/t57sb01_q10
- II. Consolidated financial statements of affiliated enterprises : Please refer to the Market Observation Post System. The browse path is as follows:**
Market Observation Post System>Single Company>Electronic document download>Three Forms for Affiliates Area
https://mopsov.twse.com.tw/mops/web/t57sb01_q10
- III. Affiliation Report: N/A.**
- IV. Where the company has carried out a private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, disclose the date on which the placement was approved by the board of directors or by a shareholders meeting, the amount thus approved, the basis for and reasonableness of the pricing, the manner in which the specified persons were selected, the reasons why the private placement method was necessary, and, for the period from receipt of payment in full to the completion of the related capital allocation plan, the status of use of the capital raised through the private placement of securities, the implementation progress of the plan, and the realization of the benefits of the plan.**
8.2 Private Placement Securities in the Most Recent Years: None.
- V. Other supplementary information:**
- (I) Unfulfilled TPEX commitment items:
1. In the future, we pledge to sign a contract when trading with Taiden JP, Zhengzhou HungTron and Shenzhen Hwitek. The contract's content shall include the transaction price setting method as well as receiving and payment conditions. The board must approve the setting and changes of the directors' contract. Taitien Electronics' audit staff must inspect the transactions between the Taitien Group and the aforesaid companies each quarter. Moreover, a CPA shall review the audit staff's works every quarter and verify whether the preceding operations comply with the internal control system and are effectively executed.
 2. We pledge that if the financial reports of the overseas subsidiaries and the basis to recognize the investment profit or loss and formulate consolidated statements in the future are audited by other CPAs, said companies' CPAs must issue an audit report on

their financial statements without mentioning other CPAs.

3. We pledge that after the TPEX listing, the full-time auditors of Taitien (Shenzhen), Taitien (Nanjing) and Zhengzhou WINTRON shall be maintained.
4. We pledge that when Taitien Holding Company Ltd. (Hereafter "Taitien Holding") and Hardy Holding Corp. (hereafter "Hardy Holding") shall establish the following rules or implement the subsequent revisions according to the "Acquisition or Disposal of Asset Handling Procedures." Major information shall be disclosed on the Market Observation Post System and reported to this center for reference.
 - (1) Said companies shall not abandon the capital increase for Taitien Holding in the future years. Before said companies' capital increase or disposal is abandoned in the future, it must be approved by said companies and resolved by Taitien Holding's board of directors.
 - (2) Taitien Holding shall not abandon the capital increase for Hardy Holding in future years. Before said companies' capital increase or disposal is abandoned in the future, it must be approved by said company and resolved by Taitien Holding and Hardy Holding's board of directors.
 - (3) Hardy Holding shall not abandon the capital increase for Taitien Electronics (Nanjing) in future years. Before said companies' capital increase or disposal is abandoned in the future, it must be approved by said company and resolved by Taitien Holding and Hardy Holding's board of directors.
 - (4) Hardy Holding shall not abandon the capital increase for Taitien Electronics (Shenzhen) in the future years. Before said companies' capital increase or disposal is abandoned in the future, it must be approved by said company and resolved by Taitien Holding and Hardy Holding's board of directors. In addition, with the increase in the company's net value or the government's investment limit for mainland China relaxes, the equity of Taitien Electronics (Shenzhen) shall be gradually bought back. The purchase price must be approved by a special board of directors' resolution, and the equity of other Taitien Electronics (Shenzhen) shareholders can only be sold to the company.

VI. Matters occurred in the most recent year and as of the publication date of the annual report that has a significant impact on the shareholders' equity or securities prices pursuant to Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act: None.