

Stock Code: 1471



首利實業股份有限公司
Solytech Enterprise Corporation

2024 Annual Report

Printed on May 13, 2025

Solytech Enterprise Corporation Annual Report is available at:

<http://mops.twse.com.tw>

Corporate Website: <http://www.soly-tech.com>

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Spokesperson Name: CHIH-WEI, CHIU

Title: Special Assistant to the General Manager

Tel: +886 2299-1907

Email: david_chiou@soly-tech.com

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Title: Deputy General Manager

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Tel: +886 2299-1907

III. Name, Address, Website of the Stock Transfer Agency:

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Address: 6F., No. 6, Sec. 1, Zhongxiao W. Rd., Zhongzheng Dist., Taipei City 100405 ,
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IV. Name, firm name, address, website, and telephone number of the CPA for the most recent annual financial report

Name of CPA: CPA Jen-Chieh, Wu, CPA Chih-Hua, Hu

Accounting Firm Name: PwC Taiwan

Address: 27F., No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City 110208, Taiwan
(R.O.C.)

Website: <http://www.pwc.tw>

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V. Name of overseas stock exchange and method for accessing information on overseas negotiable securities: None.

VI. Corporate Website: <http://www.soly-tech.com>

Table of Content

	<u>Page</u>
I. Letter to Shareholders	1
II. Corporate Governance Report	3
1. Directors, General Manager, Deputy General Manager, Associates, Departments and Branches Officer Information.....	3
2. Remuneration Paid to Directors, General Manager, and Deputy General Manager	8
3. Corporate Governance Status	12
4. Visiting accountant's public expense information	44
5. Information on changing of CPAs	44
6. The Chairman, General Manager, or manager responsible for finance or accounting affairs of the Company has worked in the auditing firm or its affiliated enterprises within the past year	45
7. For the fiscal year 2022 and up until the date of printing of this annual report, disclose the changes in share ownership and pledge by directors, managerial officers, and shareholders who hold more than 10% of the shares	47
8. Information on the relationships between the top ten shareholders who hold a significant proportion of shares and are related as family members within the second degree of kinship or are related parties	48
9. The Company, its directors, managers, and businesses directly or indirectly controlled by the Company shall report their shareholding in the same investee, and the comprehensive shareholding ratio shall be calculated by consolidation	48
III. Capital Overview	49
1. Capital and Shares	49
2. Bonds	51
3. Issuance of Preferred Shares	51
4. Global Depository Receipts	51
5. Issuance of Employee Stock Options	51
6. Issuance of New Restricted Employee Shares	51
7. Status of New Shares Issuance in Connection with Mergers and Acquisitions	51
8. Financing Plans and Implementation	51
IV. Operational Highlights	52
1. Business Scope	52
2. Market and Sales Overview	56
3. Employee information of recent two years and as of the date of printing of the annual report	61
4. Environmental Protection Expenditure	61
5. Labor Relations	61
6. Cyber Security Management	62
7. Important Contracts	62

V. Review and Analysis of Financial Status and Business Results and Risk Issues	63
1. Analysis of Financial Status	63
2. Analysis of Financial Performance	64
3. Analysis of Cash Flow	65
4. The impact of significant capital expenditures on financial operations in the recent year	66
5. Recent investment policy, main reasons for profits or losses, improvement plans, and investment plans for the next year	66
6. Analysis of Risk Management	66
7. Other important matters	68
VI. Special Disclosure	69
1. Information of affiliated enterprises	69
2. Private placement of securities during the most recent year and up to the date of printing of this annual report	71
3. Other Necessary Supplementary Notes.....	71
VII. Matters in the Past Year and as of the Date of Publication of the Annual Report Which Have a Substantial Impact on Owner’s Equity as Stipulated in Item 2, Paragraph 2 of Article 36 of the Securities Exchange Law	72

I. Letter to Shareholders

Dear Shareholders,

Thank you for your love and support for our company. We would also like to express our gratitude to all our colleagues for their hard work and contributions over the past year. In this report, we will provide an overview of our company's performance in the past year and our outlook for the 2025 fiscal year.

1. Operating Performance in 2024

Below is 2024 business report and the plans of subsequent years:

Unit: NT\$ thousand

Item\Year	2023	2024	Increase/Decrease	Variation ratio %
Revenue	256,642	278,293	21,651	8.44
Gross Profit (or Loss)	31,312	33,648	2,336	7.46
Operating Profit (or Loss)	(84,884)	(79,202)	5,682	6.69
Pre-tax losses Profit (or Loss)	(42,725)	6,863	49,588	116.06

In the fiscal year 2024, the Company was primarily engaged in the development, manufacturing, and sales of computer peripheral products, including computer case and power supply units. For the year, the Company recorded annual operating revenue of NT\$278,293 thousand, gross profit of NT\$33,648 thousand, an operating loss of NT\$79,202 thousand, and profit before tax of NT\$6,863 thousand. During the year, driven by the expansion of the gaming market, the Company experienced growth in orders for its gaming power supply units. Furthermore, the Company generated additional operating funds through the renovation and subsequent leasing of idle factory premises undertaken in the prior year. As a result, the overall operating results improved, turning from a pre-tax loss in fiscal year 2023 to a pre-tax profit in fiscal year 2024. Looking forward, the Company remains committed to enhancing overall operational performance and strengthening its financial position to support sustainable growth.

2. 2025 Business Plan

In recent years the Company has been facing challenges with regard to the rapid change of computer-related products, intense market competition, and consumers' behavior changes over digital products. In the following years, the Company will be steady toward success and holding the below guideline for management:

(1) Guideline for management

The Company will continue to integrate group resources to advance the development and research of various electronic products, with a focus on addressing the emerging era of AI and the principles of ESG sustainability.

(2) Goal of business

In addition to holding steady by focusing on the businesses of gaming and electronics products, the Company also extends the business scope to the products such as sedans, RVs, and large power cords used by engines and yacht shore power systems, which makes diversification. Furthermore, in the post-pandemic era, global emphasis on environmental purification has increased significantly. Solytech has joined the Taiwan Air Quality Health and Safety Association as a member and actively invested in development. The Company has pioneered the research and development of a series of photocatalyst purifier products, earning multiple patents for invention. This enables the Company to expand into more diversified markets.

(3) Policies on production & sales

The Company continues to expand its private label business and conduct an outsourcing approach to the low value-adding services such as stamping and assembling, in the aim of optimizing the production cost.

3. Strategic Growth Plan for the Future

(1) Market expansion on the basis of current core competences

The Company has established partnerships with mainstream e-sports brands and will focus on the development of high-end models and low-cost production to enhance its competitive advantage.

(2) Developments in new technology and new products

The Company's gaming brand, Apexgaming[®], has been leading the e-sport market with the product innovation and investment in research & development.

In response to the advent of the AI era, the Company has successfully developed an AI-powered power supply unit, which has been granted patent certification by the Intellectual Property Office of the Ministry of Economic Affairs.

Since the outbreak of the COVID-19 pandemic, in response to government health policies and to avoid crowded public spaces, the Company's research and development team developed an air purifier under the brand HYPURE. This air purifier adopts a non-light-polluting UV-A light source combined with a nano-photocatalyst (TiO₂) to effectively decompose harmful substances. The nano-photocatalyst (TiO₂) is carried on nickel metal foam with a three-dimensional cross-linked structure, achieving high surface adhesion. When irradiated with UV-A light, the system efficiently decomposes harmful substances into harmless CO₂ and H₂O, thereby creating an antibacterial, deodorizing, and mold-resistant air purification environment.

The product is designed to operate continuously while connected to a computer host, effectively transforming the device into a nano-photocatalyst air purifier.

This technology has been fully developed and has been granted a total of eight utility model patents and three invention patents by the Intellectual Property Office of the Ministry of Economic Affairs, Taiwan.

(3) Business on Private Brand

eSports has been an emerging and flourishing industry in recent years. To seize this market opportunity, the Company has collaborated with a US company, Apex, to have launched an eSports private brand, Apexgaming[®]. With the global distribution network in retail channels, the Company at this early stage is focusing on the markets in the US, China, and Europe. The Company continues to dedicate efforts to the development of new technologies for its proprietary HYPURE series of photocatalyst products, with the goal of strengthening market penetration and capturing new business opportunities. Our R&D team has developed a series of products of various types, including desktop, portable, vehicle, and commercial types. The Company's photocatalyst products were honorably certified and awarded the first Gold Certification Mark of Air Purifiers.

4. Impacts on the competitive, legal, and general environment

- (1) In the face of fierce competition on production capacity, China–United States trade war, the Covid-19 pandemic, and global inflation, the arrangements of product development, resource allocation, and customer service shall be made in a proper manner. In addition, risk control and asset activation efficiency also play an important role.
- (2) The operations of the Company are handled in accordance with the law and regulations, and the Company consistently monitors policy adjustments and changes to adapt to market shifts. Therefore, regulatory changes are not expected to have any significant impact.
- (3) Careful studies have been conducted to track consumers' needs and the changes in the general environment. Proper coping strategies and policies will be adopted to beat the competition.

Wishing you all health and happiness
Sincerely,

Solytech Enterprise Corporation
Chairman: Cheng, Chieh

II. Corporate Governance Report

1. Directors, General Manager, Deputy General Manager, Associates, Departments and Branches Officer Information

(1) Directors

1. Directors information

04/22/2025; Unit: Thousand shares

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	Republic of China	Cheng, Chieh	Male 51-60	06/19/2024 (Note 1,2)	3	06/30/2003	9,290	6.17%	9,290	6.17%	205	0.14%	0	0%	Mechanical Engineering, Hungkuo Defini University of Technology Director of Deer Computer CO.,LTD.	(Note 3)	Director and General Manager Director	CHENG, HSIANG LEE, KAN-JUNG	Siblings Affinity	None
Director	Republic of China	Cheng, Hsiang	Male 61-70	06/19/2024 (Note 1,2)	3	06/30/2003	8,737	5.80%	8,737	5.80%	1,144	0.76%	0	0%	Tungnan University Chairman of Deer Computer CO.,LTD.	(Note 4)	Chairman and Chief Operating Officer Director	CHENG, CHIEH LEE, KAN-JUNG	Siblings Spouses	None
Director	Republic of China	Cheng, Ken-Yi	Male 61-70	06/19/2024 (Note 1,2)	3	06/19/2009	0	0%	0	0%	0	0%	0	0%	Accounting, Feng Chia University Deputy General Manager of Hongyang Venture Capital CO., LTD. Associates of Taiwan International Securities CO.,LTD.	(Note 5)	None	None	None	None
Director	Republic of China	Lee, Kan-Jung	Female 61-70	06/19/2024 (Note 1,2)	3	06/30/2003	1,144	0.76%	1,144	0.76%	8,737	5.80%	0	0%	Open Junior College	None	Chairman and Chief Operating Officer Director and General Manager	CHENG, CHIEH CHENG, HSIANG	Affinity Spouses	None
Independent Director	Republic of China	Chang, Ke-Hao	Male 40-50	06/19/2024 (Note 1,2)	3	07/29/2021	0	0%	0	0%	0	0%	0	0%	EMBA, National Cheng Kung University Master of Laws, Fu Jen Catholic University Partner Lawyer of Chen, Tsai & Partners Apprentice Lawyer of Tatone (T&T) International Law Office	(Note 6)	None	None	None	None
Independent Director	Republic of China	Huang, Kuo-Ming	Male 40-50	06/19/2024 (Note 2)	3	06/19/2024	0	0%	0	0%	0	0%	0	0%	LL.M., Queen Mary, University of London Taipei Prosecutor's Office Prosecutor New Taipei Prosecutor's Office Prosecutor	(Note 7)	None	None	None	None
Independent Director	Republic of China	Chien, Min-Yu	Female 40-50	06/19/2024 (Note 2)	3	06/19/2024	0	0%	0	0%	0	0%	0	0%	Department of Accounting, National Taipei University Assistant Vice President of FUBO Certified Public Accountants Partner Finance Manager of Bright Sheland International Co., Ltd. Assurance Senior Associate of Services of PwC Taiwan	(Note 8)	None	None	None	None

Note 1: The term of office of the 13th Board of Directors expired on June 18, 2024. The board members included Chairman Mr. Cheng, Chieh; Director Mr. Cheng, Hsiang; Director Mr. Cheng, Ken-Yi; Director Ms. Lee, Kan-Jung; Independent Director Mr. Chung, Yi-Hao; Independent Director Ms. Ho, Mei-Ying; and Independent Director Mr. Chang, Ke-Hao.
 Note 2: The 14th Board of Directors was elected at the shareholders' meeting held on June 19, 2024, with a term of office from June 19, 2024 to June 18, 2027.

Note 3: Chief Operating Officer of Solytech Enterprise Corporation, Director of DEER COMPUTER CO., LTD., Director of FONG YIN INVESTMENT CO., LTD., Representative of Ample Crown International Ltd., Representative of Suntech Trading Limited, Representative of Cosmos Treasure Holdings Ltd., Representative of Premier Action Trading Ltd., Representative of Giant Treasure Limited, Representative of Land Tycoon Limited, Representative of Sure Viva Limited.

Note 4: General Manager of Solytech Enterprise Corporation, Chairman of Deer Computer CO.,LTD., Chairman of FONG YIN INVESTMENT CO., LTD., Chairman of Metagone Biotech Inc., Representative of Ample Crown International Ltd., Representative of Suntech Trading Limited, Representative of Cosmos Treasure Holdings Ltd., Representative of Premier Action Trading Ltd.

Note 5: Director of Grand Fortune Securities, Director of Leader Electronics Inc., Independent director of Holy Stone Enterprise Co., Ltd., Independent director of Prolific Technology Inc., Director of Foryou Capital Corporation, Director of Grand Fortune Venture Management Corporation.

Note 6: Attorneys-at-law of Welead Attorneys-at-law, Independent director of SUN BA Power corp, Independent Director of AIR ASIA Co., Ltd.

Note 7: Formosa Brothers, Attorney-at-Law Managing Partner, Independent Director of BORETECH Resource Recovery Engineering Co., Ltd.

Note 8: Partner CPA of FUBO Certified Public Accountants, Chairman of BOLI Capital Co., Ltd.

2. Major shareholders of the institutional shareholders: Not applicable.
3. Major shareholders of the Company's major institutional shareholders: Not applicable
4. Professional Qualifications and Independence Disclosure of Directors and Independent Directors:

Criteria Name	Qualifications and Experience	Independence (Note)	Number of Other Public Companies in Which the individual is Concurrently Serving as an Independent Director
Chairman Cheng, Chieh	Possesses working experience required for business and corporate business	Not applicable.	0
Director Cheng, Hsiang	Possesses working experience required for business and corporate business		0
Director Lee, Kan-Jung	Possesses working experience required for business and corporate business		0
Director Cheng, Ken-Yi	Possesses working experience required for business and corporate business		2
Independent Director Chang, Ke-Hao	Passed bar examination ; Possesses working experience required for business and corporate business	(1) Not been a person of any conditions defined in Article 30 of the Company Law. (2) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law. (3) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of other directors (4) Not an employee of the Company or any of its affiliates. (5) Not a director or supervisor of the Company or any of its affiliates. (6) 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.	2
Independent Director Huang, Kuo-Ming	Passed bar examination; Possesses working experience required for business and corporate business	(7) 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 4 or any of the persons in 5 and 6 subparagraphs. (8) 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. (9) Less than half of the seats on the Board of Directors or voting rights are held by individuals who control the directors, supervisors, or employees of other companies. (10) Not being in a condition that 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: a director (or governor), supervisor, or employee of that other company or institution.	1
Independent Director Chien, Min-Yu	CPA Certification; Possesses working experience required for business and corporate business	(11) 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. (12) 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.	0

5. Diversity and Indigence of The Board of Directors

(1) The Diversity of the Board of Directors

The Board of Directors has formulated a diversity policy, established specific management objectives, and is committed to their implementation. In accordance with Article 20 of the Company's Corporate Governance Best Practice Principles, the composition of the Board of Directors should give due consideration to gender equality and ensure that members generally possess the knowledge, skills, and competencies necessary to perform their duties. The Board's diversity policy should encompass, but is not limited to, the following two major aspects:

A. Basic Conditions and Values: Gender, age, nationality, and culture.

B. Professional Acknowledge and Skills: professional background (such as expertise in law, accounting or taxation, financial analysis and management, marketing, or technology), professional competencies, and industry experience.

In addition, to achieve the ideal objectives of corporate governance, the Board as a whole should possess the following core competencies:

- (1) Business judgment ability
- (2) Accounting and financial analysis ability
- (3) Management skills
- (4) Crisis management ability
- (5) Industry knowledge
- (6) International market insight
- (7) Leadership ability
- (8) Decision-making ability

Implementation of the Board Diversity Policy and Specific Management Objectives:

The Company places great emphasis on board diversity. The current Board of Directors is composed of seven members, including three independent directors. All directors are distinguished professionals from industry and academia. In terms of professional background, 29% (two directors) possess expertise in law, 43% (three directors) specialize in accounting or taxation, 57% (four directors) have expertise in financial analysis and management, and 43% (three directors) have backgrounds in marketing or information technology. The age distribution of board members is as follows: 43% (three directors) are between 40 and 50 years old, 29% (two directors) are between 51 and 60 years old, and 29% (two directors) are between 61 and 71 years old. The Company also prioritizes gender equality within the board and has set a target to include at least one director of a different gender. Currently, 71% (five directors) are male and 29% (two directors) are female.

In addition, to support the "Action Plan for Sustainable Development of TWSE/TPEX Listed Companies" promoting gender diversity on boards, the Company has progressively increased the number of female directors. In 2021, the number of female directors increased from one to two. Going forward, the Company will continue its efforts to further diversify the board composition by actively identifying suitable candidates through various channels, such as the "Independent Director Talent Pool" platform. In accordance with the Company's diversity policy, candidates will be evaluated based on factors including independence, age, expertise, gender, and professional experience. The Company is committed to gradually increasing the proportion of either gender to reach one-third of board seats in future board elections.

		Basic Composition						Professional Background			Professional Knowledge and Skills									
		Nationality	Gender	Serve as employee	Age			Terms of Independent Director			Legal	Accounting or Taxation	Financial Analysis and Management	Marketing or Technology	Ability to make operational judgments	Ability to conduct management administration	Ability to lead management	Ability to conduct crisis management	Knowledge and Experience of the industry	International market perspective
					40-50 years old	51-60years old	61-70 years old	Less than 3 years	3 to 6 years	Over 6 years										
Director	Cheng, Chieh	R.O.C	Male	✓		✓						✓	✓	✓	✓	✓	✓	✓	✓	
	Cheng, Hsiang		Male	✓		✓							✓	✓	✓	✓	✓	✓	✓	
	Cheng, Ken-Yi		Male			✓					✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Lee, Kan-Jung		Female			✓					✓	✓	✓	✓					✓	
Independent Directors	Chang, Ke-Hao		Male		✓					✓		✓			✓			✓		
	Huang, Kuo-Ming		Male		✓			✓			✓		✓		✓			✓		✓
	Chien, Min-Yu		Female		✓			✓				✓			✓			✓		✓

(2) The independence of the Board of Directors:

As of the end of 2024, the Company's Board of Directors consisted of seven seats, of which three were independent directors, accounting for over one-third of the board seats (42.86%). All three independent directors have served less than three terms (100%), and two directors concurrently hold employee positions within the Company (28.57%), in compliance with the regulation that directors concurrently serving as managerial officers should not exceed one-third of the board seats.

All independent directors have met the requirements of the Financial Supervisory Commission Securities and Futures Bureau regarding independent directors, and there is no situation as described in Article 26-3, Paragraphs 3 and 4 of the Securities Trading Act among the directors and independent directors. The Board of Directors of our company is independent (please refer to pages 4-6 of this annual report for disclosure of professional qualifications of directors and independence of independent directors), and the directors have diverse backgrounds in terms of education, gender, and work experience (please refer to page 3 of this annual report for information on the directors).

(2) General Manager, Deputy General Manager, Assistant Manager, and Department Heads

04/22/2025; Unit: Thousand Shares

Title	Nationality	Name	Gender	Selected Date	Shareholding		Shareholdings of the spouse and minor children		Shareholding by Nominee Arrangement		Experience (Education)	Position Held in Other Company	Manager with spouse or relatives within the second degree of kinship			Remark
					Shares	Shareholding Percentage	Shares	Shareholding Percentage	Shares	Shareholding Percentage			Title	Name	Relation	
General Manager	R.O.C.	Cheng, Hsiang	Male	2023/11/8	8,737	5.80%	1,144	0.76%	0	0%	Tungnan University Chairman of Deer Computer Co.,Ltd..	(Note 1)	Chief Operating Officer	Cheng, Chieh	Siblings	None
Chief Operating Officer	R.O.C.	Cheng, Chieh	Male	2023/11/8	9,290	6.17%	205	0.14%	0	0%	Mechanical Engineering, Hungkuo Delin University of Technology Director of Deer Computer Co.,Ltd..	(Note 2)	General Manager	Cheng, Hsiang	Siblings	None
Deputy General Manager And Finance and Accounting Manager	R.O.C.	Lin, Ta-Chiun,	Male	2006/12/1	0	0%	0	0%	0	0%	School of Management at National Central University Finance director of Picvue Electronics, Ltd. (Overseas Business)	(Note 3)	None	None	None	None
Assistant Manager	R.O.C.	Tseng, Shih-Hsin	Male	2016/1/1	0	0%	0	0%	0	0%	Taipei Municipal Nangang Vocational High School Special Assistant of Compucity Technology Co., Ltd.	None	None	None	None	None

Note 1: Director of Solytech Enterprise Corporation, Chairman of Deer Computer CO.,LTD, Chairman of FONG YIN INVESTMENT CO., LTD., Chairman of Metagone Biotech Inc., Representative of Ample Crown International Ltd., Representative of Suntech Trading Limited, Representative of Cosmos Treasure Holdings Ltd., Representative of Premier Action Trading Ltd.

Note 2: Chairman of Solytech Enterprise Corporation, Director of Deer Computer CO.,LTD, Director of FONG YIN INVESTMENT CO., LTD., Representative of Ample Crown International Ltd., Representative of Suntech Trading Limited, Representative of Cosmos Treasure Holdings Ltd., Representative of Premier Action Trading Ltd., Representative of Giant Treasure Limited, Representative of Land Tycoon Limited, Representative of Sure Viva Limited.

Note 3: Supervisor of FONG YIN INVESTMENT CO., LTD.

2. Remuneration Paid to Directors, General Manager, and Deputy General Manager

(1) Remuneration Paid to Directors

12/31/2024 Unit: Thousand (NTD)

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note 7)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Remuneration (A+B+C+D+E+F+G) to Net Income (%) (Note 7)		Remuneration from ventures other than subsidiaries or from the parent company (Note 8)
		Base Compensation (A) (Note 1)		Severance Pay (B)		Directors Compensation I (Note 2)		Allowances (D) (Note 3)				Salary, Bonuses, and Allowance (E) (Note 4)		Severance Pay (F)		Employee Compensation (G) (Note 5)						
		The Company	Companies in the consolidated financial statements (Note 6)	The Company	Companies in the consolidated financial statements (Note 6)	The Company	Companies in the consolidated financial statements (Note 6)	The Company	Companies in the consolidated financial statements (Note 6)	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements (Note 6)	The Company	Companies in the consolidated financial statements (Note 6)	The Company		Companies in the consolidated financial statements (Note 8)		The Company	Companies in the consolidated financial statements	
Chairman	Cheng, Chieh (Note 10,11)	0	0	0	0	0	0	72	72	1.09	1.09	1,675	4,223	0	0	0	0	0	0	26.49	65.13	0
Director	Cheng, Hsiang (Note 10,11)	0	0	0	0	0	0	72	72	1.09	1.09	1,675	4,415	0	0	0	0	0	0	26.49	68.05	0
Director	Cheng, Ken-Yi (Note 10,11)	528	528	0	0	0	0	72	72	9.10	9.10	0	0	0	0	0	0	0	0	9.10	9.10	0
Director	Lee, Kan-Jung (Note 10,11)	528	528	0	0	0	0	72	72	9.10	9.10	0	0	0	0	0	0	0	0	9.10	9.10	0
Independent Director	Chung, Yi-Hao (Note 10)	264	264	0	0	0	0	36	36	4.55	4.55	0	0	0	0	0	0	0	0	4.55	4.55	0
Independent Director	Ho, Mei-Ying (Note 10)	264	264	0	0	0	0	36	36	4.55	4.55	0	0	0	0	0	0	0	0	4.55	4.55	0
Independent Director	Chang, Ke-Hao (Note 10,11)	528	528	0	0	0	0	72	72	9.10	9.10	0	0	0	0	0	0	0	0	9.10	9.10	0
Independent Director	Huang, Kuo-Ming	264	264	0	0	0	0	36	36	4.55	4.55	0	0	0	0	0	0	0	0	4.55	4.55	0
Independent Director	Chien, Min-Yu	264	264	0	0	0	0	36	36	4.55	4.55	0	0	0	0	0	0	0	0	4.55	4.55	0

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:
According to Article 28 of the Company's bylaws, the remuneration of independent directors is determined separately by the Remuneration Committee, considering the participation, contributions to the Company's operations, attendance rate, and industry standards. The Committee will submit its recommendations to the Board of Directors for approval.

2. In addition to the above disclosure, any other compensation that was received by company directors in 2024 for services rendered (e.g. services rendered, as an advisor with non-employee status, to the parent company, to any company listed in the financial reports, or to any Solytech investee enterprise): None

Note 1: Refers to the salaries, duty allowances, and severance pay paid to the directors in 2024.

Note 2: Refers to the amount of directors' compensation approved by the Board of Directors in 2024.

- Note 3: Refers to the expenses related to the business execution of the directors in 2024 (including transportation expenses, special expenses, various allowances, dormitories, vehicle provisions, etc.). When providing housing, cars, and other transportation or dedicated personal expenses, the nature and cost of the assets provided, the actual or fair market value of the rent, fuel costs, and other payments should be disclosed. If there is a driver involved, please provide an explanation of the relevant compensation paid to the driver, but this is not included in the directors' remuneration.
- Note 4: Refers to the remuneration paid to the directors who also serve as employees (including those who hold positions such as general manager, deputy general manager, other executives, and employees), including various bonuses, incentives, travel expenses, special disbursements, allowances, accommodation, company car, other physical items, other compensations, etc. in 2024. Where housing, cars, other means of transportation, or expenditures exclusively for individuals are offered, the nature and costs of the offered assets, the actual rent or fair market rent, fuel expenses, and other benefits shall be disclosed. In addition, where a driver is provided, please provide an explanation in the notes on the compensation paid to the driver by the Company, but not calculating as remuneration. The salaries recognized in accordance with IFRS 2 "Share-based Payment," including the share subscription warrants issued to employees, new restricted stock award shares issued to employees, and employee stock at cash capital increase, shall also be calculated as remuneration.
- Note 5: Refers to those directors who also serve as employees (including general manager, deputy general manager, other managers, and employees) and received employee remuneration (including stock and cash) in 2024, the amount of employee remuneration approved by the Board of Directors in the current year should be disclosed.
- Note 6: The total remuneration paid by all companies in the consolidated statements (including the Company) to the Company's directors must be disclosed.
- Note 7: The net income after-tax refers to the net income after-tax in the standalone financial statements of 2024.
- Note 8: a. Specify the amount of remuneration received by the Company's directors from ventures other than subsidiaries or from the parent company in this field.
b. If the Company's directors receive remuneration from non-subsiary equity investments, the amount of remuneration received by the Company's directors from non-subsiary equity investments should be included in the remuneration table, and the column should be renamed "Parent Company and all Non-Subsidiary Equity Investments".
c. The remuneration means pay, compensation (including compensation of employees, directors and supervisors) and business expenses received by the Company's directors who are serving as a director, supervisor or manager of ventures other than subsidiaries or of the parent company.
- Note 9: The remuneration disclosed in the table is different from income as defined in the Income Tax Act. This table is therefore provided for disclosure only and is not used for taxation purposes.
- Note 10: The term of office of the 13th Board of Directors expired on June 18, 2024. The board members included Chairman Mr. Cheng, Chieh; Director Mr. Cheng, Hsiang; Director Mr. Cheng, Ken-Yi; Director Ms. Lee, Kan-Jung; Independent Director Mr. Chung, Yi-Hao; Independent Director Ms. Ho, Mei-Ying; and Independent Director Mr. Chang, Ke-Hao.
- Note 11: The 14th Board of Directors was elected at the shareholders' meeting held on June 19, 2024, with a term of office from June 19, 2024 to June 18, 2027.

(2) Remuneration Paid to General Manager and Deputy General Manager

12/31/2024 Unit: Thousand New Taiwan Dollars

Title	Name	Salary(A) (Note1)		Severance Pay (B)		Bonuses and Allowance (C) (Note 2)		Employee Compensation (D) (Note 3)				Ratio of total Remuneration (A+B+C+D) to net income (%) (Note 7)		Remuneration from ventures other than subsidiaries or from the parent company (Note 8)
		The Company	Companies in the consolidated financial statements (Note 4)	The Company	Companies in the consolidated financial statements (Note 4)	The Company	Companies in the consolidated financial statements (Note 4)	The Company		Companies in the consolidated financial statements (Note 4)		The Company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
General Manager	Cheng, Hsiang	1,334	3,526	0	0	341	889	0	0	0	0	25.40	66.95	0
Chief Operating Officer	Cheng, Chieh	1,334	3,373	0	0	341	850	0	0	0	0	25.40	64.04	0
Deputy General Manager	Lin, Ta-Chiun	1,040	2,629	63	63	267	664	0	0	0	0	20.78	50.89	0

Note 1: Refers to the salaries, duty allowances, and severance pay paid to the general manager and deputy general manager in the most recent year.

Note 2: Refers to the remuneration paid to the managerial officers with the top five remuneration amounts, including various bonuses, incentives, travel expenses, special disbursements, allowances, accommodation, company car, other physical items, other compensations, etc., in the most recent year. Where housing, cars, other means of transportation, or expenditures exclusively for individuals are offered, the nature and costs of the offered assets, the actual rent or fair market rent, fuel expenses, and other benefits shall be disclosed. In addition, where a driver is provided, please provide an explanation in the notes on the compensation paid to the driver by the Company, but not calculating as remuneration. The salaries recognized in accordance with "IFRS 2 "Share-based "Payment," including the share subscription warrants issued to employees, new restricted stock award shares issued to employees, and employee stock at cash capital increase, shall also be calculated as remuneration.

Note 3: Refers to the amount of employee compensation (including stock and cash) approved by the Board of Directors for general manager and deputy general manager in 2024.

Note 4: The total remuneration paid by all companies in the consolidated statements (including the Company) to managerial officers must be disclosed.

Note 5: Listed the total remuneration paid to the general manager and deputy manager, and the Company should disclose the name within the corresponding salary range.

Note 6: The total amount of remuneration paid to each general manager and deputy general manager by all companies (including the Company) in the consolidated statement should be disclosed. The names of the general manager and deputy general manager should also be disclosed within their respective salary ranges.

Note 7: The net income after-tax refers to the net income after-tax in the standalone financial statements of 2024.

Note 8: a. Specify the amount of remuneration received by the Company's general manager and deputy general manager from ventures other than subsidiaries or from the parent company in this field.

b. If the Company's general manager and deputy general manager receive remuneration from non-subsidiary equity investments, the amount of remuneration received by the general manager and deputy general manager from non-subsidiary equity investments should be included in Column E of the remuneration table, and the column should be "renamed "Parent Company and all Non-Subsidiary Equity Investments".

c. The remuneration means pay, compensation (including compensation of employees, directors and supervisors) and business expenses received by managerial officers who are serving as a director, supervisor or manager of ventures other than subsidiaries or of the parent company.

Note 9: The remuneration disclosed in the table is different from income as defined in the Income Tax Act. This table is therefore provided for disclosure only and is not used for taxation purposes.

(3) Managerial officers with the top five highest remuneration amounts

12/31/2024, Unit: Thousand New Taiwan Dollars

Title	Name	Salary (A) (Note 2)		Severance Pay (B)		Bonuses and Alliances (C) (Note 3)		Employee Compensation (D) (Note 4)				Ratio of total Remuneration (A+B+C+D) to net income (%) (Note 6)		Remuneration from ventures other than subsidiaries or from the parent company (Note 7)
		The Company	Companies in the consolidated financial statements (Note 5)	The Company	Companies in the consolidated financial statements (Note 5)	The Company	Companies in the consolidated financial statements (Note 5)	The Company		Companies in the consolidated financial statements (Note 5)		The Company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
General Manager	Cheng, Hsiang	1,334	3,526	0	0	341	889	0	0	0	0	25.40	66.95	0
Chief Operating Officer	Cheng, Chieh	1,334	3,373	0	0	341	850	0	0	0	0	25.40	64.04	0
Deputy General Manager	Lin, Ta-Chiun	1,040	2,629	63	63	267	664	0	0	0	0	20.78	50.89	0
Assistant Manager	Tseng, Shih-Hsin	1,166	1,166	72	72	202	202	0	0	0	0	21.84	21.84	0

Note 1: Managerial officers with the top five highest remuneration amounts refer to managers at the Company, in which the standard for determining managers is the applicable scope set forth in Order Tai-Cai-Zheng-San-Zi No. 0920001301 from the former Securities and Futures Commission, Ministry of Finance dated March 27, 2003. The top five highest remuneration amounts are determined based on the sum of salaries, severance pay, bonuses and allowances, and employee compensation received by a managerial officer from all companies in the consolidated financial statements (i.e., A+B+C+D).

Note 2: Refers to the salaries, duty allowances, and severance pay paid to the managerial officers with the top five remuneration amounts in 2024.

Note 3: Refers to the remuneration paid to the managerial officers with the top five remuneration amounts, including various bonuses, incentives, travel expenses, special disbursements, allowances, accommodation, company car, other physical items, other compensations, etc., in 2024. Where housing, cars, other means of transportation, or expenditures exclusively for individuals are offered, the nature and costs of the offered assets, the actual rent or fair market rent, fuel expenses, and other benefits shall be disclosed. In addition, where a driver is provided, please provide an explanation in the notes on the compensation paid to the driver by the Company, but not calculating as remuneration. The salaries recognized in accordance with "IFRS 2 "Share-based Payment," including the share subscription warrants issued to employees, new restricted stock award shares issued to employees, and employee stock at cash capital increase, shall also be calculated as remuneration.

Note 4: Refers to the amount of employee compensation (including stock and cash) approved by the Board of Directors for managerial officers with the top five remuneration amounts in 2024.

Note 5: The total remuneration paid by all companies in the consolidated statements (including the Company) to managerial officers with the top five highest remuneration amounts must be disclosed.

Note 6: The net income after-tax refers to the net income after-tax in the standalone financial statements of 2024.

Note 7: a. Specify the amount of remuneration received by managerial officers with the top five remuneration amounts from ventures other than subsidiaries or from the parent company in this field.

b. The remuneration means pay, compensation (including compensation of employees, directors and supervisors) and business expenses received by managerial officers with the top five remuneration amounts who are serving as a director, supervisor or manager of ventures other than subsidiaries or of the parent company.

Note 8: The remuneration disclosed in the table is different from income as defined in the Income Tax Act. This table is therefore provided for disclosure only and is not used for taxation purposes.

(4) Comparison and Analysis 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 and Explain 'the Company's Policy, Standards, and Composition Regarding Remuneration, the Procedures for Determining Remuneration, and the Correlation between Business Performance and Future Risks:

1. The ratio of total remuneration paid by the Company and by all companies included in the consolidated financial statements for the two most recent fiscal years to directors, supervisors, General Manager and Deputy General Manager of the Company, to the net income.

Title	Year 2023		Year 2024	
	Ratio of total remuneration paid by the Company to directors, supervisors, president and vice presidents to net income (%)	Ratio of total remuneration paid by all companies included in the consolidated financial statements to directors, supervisors, president and vice presidents to net income (%)	Ratio of total remuneration paid by the Company to directors, supervisors, president and vice presidents to net income (%)	Ratio of total remuneration paid by all companies included in the consolidated financial statements to directors, supervisors, president and vice presidents to net income (%)
Director	(16.76)	(31.52)	98.48	178.68
Supervisor	(Note 1)	(Note 1)	(Note 1)	(Note 1)
General Manager and Deputy General Manager	(13.55)	(33.69)	71.58	181.89

Note 1: The Company established the Audit Committee following the legal requirements to replace the role of the supervisor on July 29, 2021.

2. The policy, standards, and composition of remuneration payments, the procedure for determining remuneration, and the relationship between business performance and future risks associated with remuneration payments.

(1)The director's remuneration paid by the Company shall be determined by 'the Company's Articles of Incorporation and the Remuneration Committee Charter, referencing the usual industry standards, and adjusted according to the following actual circumstances of each director during their term of service.

A. Term of the Board of Director

B. Responsibility during the tenure of the Director

C. Contribution made to the business operation of each Board of Director

(2) The remuneration paid to the Company's General Manager and Deputy General Manager is divided into salary and bonus, which is handled following the relevant provisions of 'the Company's personnel regulations and according to the resolutions passed by the Board of Directors as stipulated in 'the Company's Articles of Incorporation and Remuneration Committee Charter. The remuneration paid to the Company's key management personnel include the following:

A. Managers' Remuneration

B. Employee bonuses: The distribution of employee bonuses and dividends is adjusted based on the following criteria.

(a) Operating status

(b) Individual performance of each level Manager

(c) Follows internal regulations to adjust the distribution

3. Corporate Governance Status

(1) Operations of the Board of Directors:

During the term of the 13th Board of Directors from January 1, 2024 to June 18, 2024, the Board convened a total of two meetings.

During the term of the 14th Board of Directors from June 19, 2024 to May 13, 2025, the Board convened a total of five meetings, resulting in a cumulative total of seven meetings (A). The attendance of directors was as follows:

Title	Name	Attendance in Person (B)	Attendance on behalf	Attendance Rate (%) 【B / A】 (Note 2)	Remark
Chairman	Cheng, Chieh (Note 1)	7	0	100.00%	Reappointment: Chairman of the 14th Board of Directors Reappointment Date: June 19, 2024 Expected Number of Meetings to Attend: 7
Director	Cheng, Hsiang (Note 1)	7	0	100.00%	Reappointment: Director of the 14th Board of Directors Reappointment Date: June 19, 2024 Expected Number of Meetings to Attend: 7
Director	Cheng, Ken-Yi (Note 1)	7	0	100.00%	Reappointment: Director of the 14th Board of Directors Reappointment Date: June 19, 2024 Expected Number of Meetings to Attend: 7
Director	Lee, Kan-Jung (Note 1)	6	1	85.71%	Reappointment: Director of the 14th Board of Directors Reappointment Date: June 19, 2024 Expected Number of Meetings to Attend: 7

Independent Director	Chung, Yi-Hao (Note 2)	2	0	100.00%	Dismissal: Independent Director of the 13th Board of Directors Dismissal Date: June 18, 2024 Expected Number of Meetings to Attend: 2
Independent Director	Ho, Mei-Ying (Note 2)	2	0	100.00%	Dismissal: Independent Director of the 13th Board of Directors Dismissal Date: June 18, 2024 Expected Number of Meetings to Attend: 2
Independent Director	Chang, Ke-Hao (Note 1)	7	0	100.00%	Reappointment: Independent Director of the 14th Board of Directors Reappointment Date: June 19, 2024 Expected Number of Meetings to Attend: 7
Independent Director	Huang, Kuo-Ming (Note 1)	5	0	100.00%	Appointment: Independent Director of the 14th Board of Directors Appointment Date: June 19, 2024 Expected Number of Meetings to Attend: 5
Independent Director	Chien, Min-Yu (Note 1)	5	0	100.00%	Appointment: Independent Director of the 14th Board of Directors Appointment Date: June 19, 2024 Expected Number of Meetings to Attend: 5

Note 1: New directors and independent directors for the 14th Board were elected at the shareholders' meeting on June 19, 2024.

Note 2: The 13th Board's term ended on June 18, 2024.

From January 1 st , 2024 to May 13th, 2025, attendance record of independent directors at each board meeting.								
O: Attendance in Person ☆: Attendance on behalf X: Absence								
Title	Name	1st	2nd	3rd	4th	5th	6th	7th
Independent Director	Chang, Ke-Hao	O	O	O	O	O	O	O
Independent Director	Huang, Kuo-Ming	(Note 1)	(Note 1)	O	O	O	O	O
Independent Director	Chien, Min-Yu	(Note 1)	(Note 1)	O	O	O	O	O

Note 1: New independent director elected on June 19, 2024.

Other mendable items:

1.If any of the following occurs in the operation of the Board, specify the date, the session, the content of the motion, the opinions of the Independent Directors, and the response of the Company to the opinions of the Independent Directors

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

(2) Other than the aforementioned matters, other resolutions of the Board of Directors with adverse or qualified opinions from independent directors and on the record or in written declaration:

Date of the Board meeting and Period	Content of Motion	Resolutions o' the directors' meetings objected to by independent directors
3/14/2024 The 13th Board Meeting of the 13th term	1. Proposal of Assessment of the Effectiveness of Internal Control Systems and the Internal Control System Statement in 2023. 2. Evaluation of the Independence and Qualification of the Signing CPAs.	Passed without objection
5/8/2024 The 14th Board Meeting of the 13th term	Release the non-compete restrictions for newly appointed directors (including independent directors).	Passed without objection
6/19/2024 The 1st Board Meeting of the 14th term	1. Proposal of the election of the Chairman of the 14th Board of Directors. 2. Proposal for the appointment of members of the 6th Compensation Committee.	Passed without objection
3/13/2025 The 4th Board Meeting of the 14th term	1. Proposal of Assessment of the Effectiveness of Internal Control Systems and the Internal Control System Statement in 2024. 2. Proposal of Assessment of the independence and competence of the Signing CPAs, and the approval of the engagement and remuneration. 3. Proposal for the amendment of certain articles in the Company's	Passed without objection

	<p>Articles of Incorporation.</p> <p>4. Proposal for the amendment of certain provisions of the Company's Internal Control System.</p> <p>5. Proposal for the acquisition of the right-of-use of real estate from a related party, Deer Computer Co., Ltd.</p> <p>6. Proposal for the release of non-competition restrictions on independent directors.</p>	
<p>5/13/2025 The 5th Board Meeting of the 14th term</p>	<p>1. Proposed Pre-approval of non-assurance services to be provided by the audit firm and its affiliates to our company and its subsidiaries.</p> <p>2. Proposal for Amendments to Certain Provisions of the Company's "Regulations Governing Director Remuneration"</p>	<p>Passed without objection</p>

2. If there is the Director's avoidance of motions in conflict of interest the Director's names, contents of motions, causes for avoidance and voting should be specified:

- (1) On June 19, 2024, at the first meeting of the 14th Board of Directors, the proposal of "Appointment of Members of the 6th Compensation Committee" was discussed. The proceedings were as follows: "Mr. Chang, Ke-Hao, Mr. Huang, Kuo-Ming, and Ms. Chien, Min-Yu, who were appointed as members, are currently serving as independent directors of the Company and, due to conflicts of interest, recused themselves from participating in the discussion and voting on this proposal." Except for the three independent directors who recused themselves, the proposal was approved without objection by all other attending directors upon inquiry by the Chairman.
- (2) On August 13, 2024, at the second meeting of the 14th Board of Directors, the proposal of "Structure and Payment Amounts for Directors' Remuneration and Transportation Allowances for the 14th Term" was discussed. The proceedings were as follows: "Each director, in accordance with the law, individually recused themselves due to conflicts of interest and did not participate in the discussion or voting on this proposal." The proposal was approved without objection by the remaining attending directors.
- (3) On March 13, 2025, at the fourth meeting of the 14th Board of Directors, the proposal of "Acquisition of the Right-of-Use of Real Estate from Related Party Deer Computer Co., Ltd." was discussed. The proceedings were as follows: "As this proposal involved Director Mr. Cheng, Hsiang having a conflict of interest, he was required by law to recuse himself and was prohibited from participating in the discussion and voting on the proposal." Except for Director Mr. Cheng, Hsiang, who recused himself due to a conflict of interest, the proposal was approved without objection by the remaining attending directors upon inquiry by the Chairman.
- (4) On March 13, 2025, at the fourth meeting of the 14th Board of Directors, the proposal of "The Release of Non-Competition Restrictions on Independent Directors" was discussed. The proceedings were as follows: "As this proposal involved Independent Directors Mr. Chang, Ke-Hao and Ms. Chien, Min-Yu having conflicts of interest, they were required by law to recuse themselves and were prohibited from participating in the discussion and voting on the proposal." Both independent directors recused themselves and did not participate in the discussion or voting. The proposal was approved without objection by the remaining attending directors upon inquiry by the Chairman.

3. The status of self-evaluation of the Board of Directors

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation items
Annual	01/01/2024 to 12/31/2024	The Board of Director	Self-evaluation of the Board of Director (Evaluated by the agenda working group)	<ol style="list-style-type: none"> 1. Participation in the Operation of the Company 2. Improvement of the Quality of the Board of Directors' Decision Making 3. Composition and Structure of the Board of Director 4. Election and continuing education of the directors 5. Internal Control
Annual	01/01/2024 to 12/31/2024	Members of the Board of Directors	Self-evaluation of Board members	<ol style="list-style-type: none"> 1. Alignment of the goals and missions of the Company 2. Awareness o' the Directors' Duties 3. The degree of their participation in and contribution to management of the institution 4. Management of internal relationship and communication 5. Professionalism and Continuing Education of the Director 6. Internal Control
Annual	01/01/2024 to 12/31/2024	Audit Committee	Self-evaluation of Board members	<ol style="list-style-type: none"> 1. Degree of Participation in Company Operations 2. Understanding of Audit Committee Responsibilities 3. Enhancement of Audit Committee Decision-Making Quality 4. Composition and Appointment of Audit Committee Members 5. Internal Control
Annual	01/01/2024 to 12/31/2024	Compensation Committee	Self-evaluation of Board members	<ol style="list-style-type: none"> 1. Degree of Participation in Company Operations 2. Understanding of Compensation Committee Responsibilities 3. Enhancement of Compensation Committee Decision-Making Quality 4. Composition and Appointment of Compensation Committee Members 5. Internal Control

4. Assessment of the implementation status of strengthening the functions of the Board of Directors in the current and recent years: The "Rules of Procedure for the Board of Directors" have been established, and the Audit Committee and the Remuneration Committee have performed well.

(2) The status of operations of the Audit Committee

From January 1 to June 18, 2024, the first Audit Committee convened 2 meetings.

From June 19, 2024, to May 13, 2025, the second Audit Committee held 5 meetings, bringing the total number of meetings to 7 (A). The attendance of independent directors is detailed as follows:

Title	Name	Attendance in Person (B)	Attendance on behalf	Attendance Rate (%) 【B / A】	Remark (Note 1)
Independent Director	Chung, Yi-Hao	2	0	100.00%	Dismissal: Independent Director of the 13th Board of Directors Dismissal Date: June 18, 2024 Meetings to Attend: 2
Independent Director	Ho, Mei-Ying	2	0	100.00%	Dismissal: Independent Director of the 13th Board of Directors Dismissal Date: June 18, 2024 Meetings to Attend: 2
Independent Director	Chang, Ke-Hao	7	0	100.00%	Reappointment: Independent Director of the 14th Board of Directors Reappointment Date: June 19, 2024 Meetings to Attend: 7
Independent Director	Huang, Kuo-Ming	5	0	100.00%	Appointment: Independent Director of the 14th Board of Directors Appointment Date: June 19, 2024 Expected Number of Meetings to Attend: 5
Independent Director	Chien, Min-Yu	5	0	100.00%	Appointment: Independent Director of the 14th Board of Directors Appointment Date: June 19, 2024 Expected Number of Meetings to Attend: 5

Note 1: The term of the 1st Audit Committee expired on June 18, 2024. Following the election of independent directors at the shareholders' meeting held on June 19, 2024, the Company's Audit Committee is now composed of three independent directors, with Independent Director Mr. Chang, Ke-Hao elected as the convener. The Audit Committee is responsible for reviewing the appropriateness of the Company's financial statements, selecting (or dismissing) and assessing the independence of the Signing CPAs, overseeing the effective implementation of the Company's internal control system, ensuring the Company's compliance with applicable laws and regulations, and supervising the management of existing or potential risks.

Other mentionable items:

1. If the operation of Audit Committee falls under any of the following circumstances, the Company shall record the following matters relating to the state of its implementation of corporate governance: the date of Audit Committee meeting, the period, the content of the resolution, the opinions of all independent directors, and the Company's countermeasures of the opinions of independent directors.
 - (1). The matters listed in Article 14-5 of the Securities and Exchange Act (Please refer to Note 2)
 - (2). Except for the aforementioned matters, any other resolution items passed by the Board of Directors with the approval of more than two-thirds of all directors, but without the approval of the Audit Committee: None.
2. If there is Independent Directors' avoidance of motions in conflict of interest, the Independent Directors' names, contents of motions, causes for avoidance and voting should be specified:
 - (1) On March 13, 2025, at the third meeting of the 2nd Audit Committee, the proposal of "The Release of Non-Competition Restrictions on Independent Directors" was discussed. The proceedings were as follows: "As this proposal involved Independent Directors Mr. Chang, Ke-Hao and Ms. Chien, Min-Yu having conflicts of interest, they were required by law to recuse themselves and were prohibited from participating in the discussion and voting on the proposal." Both independent directors recused themselves and did not participate in the discussion or voting. The proposal was approved without objection by the remaining attending directors upon inquiry.
3. Communication between the Independent Directors, internal auditing authorities and CPAs (including major items, mode and results of discussion about the Company's finance and business):

After the audit supervisor of the Company completes the audit report and follow-up report, they will submit the reports to each Independent Director before the end of the following month, and report at the Audit Committee meeting.

The communication between the two parties is smooth. The audit supervisor of the Company also maintains smooth communication with the CPA. The Company also has completed the reporting requirements including the next year's audit plan, the execution of the previous year's annual audit plan, and the improvement of internal control deficiencies and abnormal matters within the year according to the regulations of the competent authority.
4. Key Focus Areas and Operations of the Audit Committee for the Year:
 - (1) Summary of Key Focus Areas:
 1. Communicated regularly with the Chief Internal Auditor regarding audit report results in accordance with the annual audit plan.
 2. Held regular discussions with the Company's Signing CPAs regarding the review or audit results of quarterly financial statements.
 3. Reviewed financial reports.
 4. Evaluated the effectiveness of the internal control system.
 5. Reviewed major asset transactions and derivative transactions.
 6. Reviewed the appointment, dismissal, and remuneration of the Signing CPAs.
 7. Assessed the independence and qualification of the Signing CPAs.
 8. Deliberated on the revision of procedures for handling major financial activities, including the acquisition or disposal of assets, derivative transactions, loans to others, and endorsements or guarantees for others.
 9. Ensured compliance with relevant laws and regulations.
 - (2) Operations: Please refer to Note 2.

Note 2:

Date of Audit Committee and Period	Content of motion	Content of objections, reservations, or significant recommendations raised by Independent Directors.	Resolution of Audit Committee	The Company's countermeasures of the opinions of Independent Directors
03/14/2024 The 12 th Audit Committee Meeting of the first term	<ol style="list-style-type: none"> 1. Proposal for Assessment of the Effectiveness of Internal Control Systems and the Internal Control System Statement in 2023 2. The proposal for the 2023 Annual Business Report and financial statements, including the consolidated financial statements. 3. The Company's loss carryforward for the year 2023. 4. Evaluation of the Independence and Qualification of the Signing CPAs. 	None	Approved unanimously by all attending committee members upon the Chairman's inquiry.	Submitted to the 13 th Board of Directors Meeting of the 13 th term and implemented according to the resolution.
05/08/2024 The 13 th Audit Committee Meeting of the first term	<ol style="list-style-type: none"> 1. Q1 consolidated financial statements for 2024. 			Submitted to the 14 th Board of Directors Meeting of the 13 th term and implemented according to the resolution.
08/13/2024 The first Audit Committee Meeting of the second term	<ol style="list-style-type: none"> 1. Q2 consolidated financial statements for 2024. 			Submitted to the 2 nd Board of Directors Meeting of the 14 th term and implemented according to the resolution.
11/12/2024 The 2 nd Audit Committee Meeting of the second term	<ol style="list-style-type: none"> 1. Amendment to the assessment and appointment of the Signing CPAs. 2. Q3 consolidated financial statements for 2024. 3. Proposal for the Amendment of the "Internal Control System" and the "Implementation Rules of Internal Audit." 			Submitted to the 3 rd Board of Directors Meeting of the 14 th term and implemented according to the resolution.
03/13/2025 The 3 rd Audit Committee Meeting of the second term	<ol style="list-style-type: none"> 1. Proposal for Assessment of the Effectiveness of Internal Control Systems and the Internal Control System Statement in 2024. 2. The proposal for the 2024 Annual Business Report and financial statements, including consolidated financial statements. 3. The Company's loss carryforward for the year 2024. 4. Evaluation of the Independence and Qualification of the Signing CPAs, and the Approval of Engagement and Remuneration. 5. Proposal for the Amendment of Certain Provisions of the Company's Internal Control System. 6. Proposal for the Acquisition of the Right-of-Use of Real Estate from Related Party Deer Computer Co., Ltd. 7. Proposal for the Release of Non-Competition Restrictions on Independent Directors. 			Submitted to the 4 th Board of Directors Meeting of the 14 th term and implemented according to the resolution.
05/13/2025 The 4 th Audit Committee Meeting of the second term	<ol style="list-style-type: none"> 1. Proposal of Q1 consolidated financial statements for 2025. 2. Proposed Pre-approval of non-assurance services to be provided by the audit firm and its affiliates to our company and its subsidiaries. 			Submitted to the 5 th Board of Directors Meeting of the 14 th term and implemented according to the resolution.

3. 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	Abstract Illustration	
1. Does the Company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	✓		The Company has established the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”. The information has been disclosed on TWSE MOPS.	None
2. Shareholding structure & shareholders’ rights (1) Does the Company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes, and litigations, and implement based on the procedure? (2) Does the Company possess the list of its major shareholders as well as the ultimate owners of those shares? (3) Does the Company establish and execute the risk management and firewall system within its conglomerate structure? (4) Does the Company establish internal rules against insiders trading with undisclosed information?	✓		(1) The Company has designated appropriate departments, such as Spokesperson, Deputy spokesperson, and Stock Department, to handle shareholders’ suggestions and litigation. (2) The Company keeps abreast of the shareholding status of the directors, managers, and shareholders holding more than 10% of the shares, and timely reports the shareholding status of major shareholders. (3) The Company and its affiliates operate independently in terms of financial and business operations, with clear division of responsibilities for personnel, assets, and financial management matters. (4) The Company has established “Forbidden Insiders Trading Regulations” to forbid insiders from trading on undisclosed information.	None
3. Composition and Responsibilities of the Board of Directors (1) Does the Board develop and implement a diversified policy for the composition of its members? (2) Does the Company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee? (3) Does the Company establish a standard to measure the performance of the Board and implement it annually, and are performance evaluation results submitted to the Board of	✓		(1) To strengthen corporate governance and promote the sound development of the composition and structure of the Board of Directors, director candidates are nominated in accordance with the Company's Articles of Incorporation under a candidate nomination system. Candidates are evaluated based on their academic and professional background, professional skills, integrity, and relevant qualifications. Upon approval by the Board of Directors, the list of candidates is submitted to the shareholders’ meeting for election.. In addition to the requirement that directors concurrently serving as managerial officers of the Company shall not exceed one-third of the board seats, the Company formulates appropriate diversity policies based on its operations, business model, and developmental needs. The Company has established a Corporate Governance Best Practice Principles, with its full content disclosed on the Company’s website and the Market Observation Post System (MOPS). The Company places great importance on board diversity. The Board has formulated a diversity policy, set specific management objectives, and implemented relevant measures. For related information, please refer to pages 5–6 of this Annual Report. (2) The Company has established Remuneration Committee and the Audit Committee but has not established any other functional committees. The establishment of such committees will be evaluated in the future as needed. (3) The Company has established the "Board of Directors' Performance Evaluation Methods," which evaluates the performance of the members of the Board of Directors every year. The evaluation results are	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>Directors and referenced when determining the remuneration of individual directors and nominations for reelection?</p> <p>(4) Does the Company regularly evaluate the independence of CPAs?</p>			<p>reported to the Board of Directors and used as a reference for selecting or nominating directors and determining individual directors' compensation in the future.</p> <p>(4) In accordance with the Company’s “Corporate Governance Best Practice Principles,” the Company shall, at least once a year, refer to Audit Quality Indicators (AQIs) to evaluate the competence and independence of its appointed Signing CPAs. The evaluation results shall be submitted to the Audit Committee and the Board of Directors for review and approval. Based on the AQIs, the evaluation was conducted and approved by both the Audit Committee and the Board of Directors on March 13, 2025. The results confirmed that the appointed CPA meets the Company’s standards for competence and independence and is deemed suitable to serve as the Company’s Signing CPA. The Company has also obtained a declaration of independence from the CPA. Key evaluation items are listed in.(Note 1)</p>	
<p>4. 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>	✓		<p>The Company has established a corporate governance manager responsible for providing the Board of Directors and functional committees with the necessary information for their business operations. The Company updates real-time information on TWSE MOPS and the Company's website. The Company also handles the matters related to the meetings of the Board of Directors and shareholders' meetings, company registration and changes, and the preparation of minutes of the Board of Directors and shareholders' meetings in compliance with relevant laws and regulations.</p>	None
<p>5. Does the Company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?</p>	✓		<p>The Company has established departments such as Investor Relations and Share Services to communicate with stakeholders according to different situations. We also have a stakeholder section on the Company’s website (www.soly-tech.com) to provide a communication channel with the customers, suppliers, stakeholders and employees.</p>	None
<p>6. Does the Company appoint a professional shareholder service agency to deal with shareholder affairs?</p>	✓		<p>The Company designates a professional shareholder service agency, Grand Fortune Secures, to deal with shareholder affairs.</p>	None
<p>7. Information Disclosure</p> <p>(1) Does the Company have a corporate website to disclose both financial standings and the status of corporate governance?</p> <p>(2) 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)?</p> <p>(3) Does the Company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?</p>	✓		<p>(1) The Company has established a website (www.soly-tech.com) to disclose financial and corporate governance information and is updated irregularly for investors to review.</p> <p>(2) The Company has established a website in both Mandarin and English, and provides dedicated email addresses for each relevant business unit. The Company also appointed a spokesperson, a deputy spokesperson, and designated a specialist to handle information collection and disclosure. If there is a corporate briefing, the information will also be posted on the Company’s website and the "TWSE MOPS".</p> <p>(3) The Company is required to announce and report the annual financial statements within three months after the end of each fiscal</p>	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			year. The Company also completed and announced its financial statements for Q1, Q2, and Q3 and filed monthly operating status before the deadline.	
8. Is there any other important information to facilitate a better understanding of the Company’s corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors’ and supervisors’ continuing education records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	✓		<p>The Company's employee welfare measures, education, training, retirement rules, and their implementation, as well as the agreements between labor and management and the status of measures to protect employees' rights and interests, all comply with the regulations of the Competent Authority.</p> <p>(1) Status of employee rights and employee wellness:</p> <ol style="list-style-type: none"> 1.. Labor insurance: Following Labor Insurance Act. 2. National Health Insurance: Following Enforcement Rules of the National Health Insurance Act. 3. Employee Compensation: Distributed by the provisions of the Company's articles of incorporation and approved by the Board of Directors, and reported to the shareholders' meeting. 4. Year-end allowance: Allowances are given to each employee on the Mid-Autumn Festival, Dragon Boat Festival, and Lunar New Year. The amount of the allowance is adjusted according to the Company's operating conditions. 5. Insurance and Occupational Accident Insurance: We provide group life insurance, accident insurance, injury medical insurance, hospitalization medical insurance, cancer medical insurance, and occupational accident insurance to provide employees and their families with complete protection. <p>(2) Investor Relations: The Company discloses information fully through TWSE MOPS and the Company website to enable investors to understand the Company's operating status. The Company also communicates with shareholders through shareholders' meetings and the spokesperson system.</p> <p>(3) Supplier Relationship: The Company has established partnerships with suppliers based on the principle of equality and mutual and built a stable supply chain. We also conduct periodic audits to ensure quality.</p> <p>(4) Stakeholders' rights: A. Customer Responsibility: The Company provides quality products and values customer feedback. B. Shareholder Responsibility: Fully protecting shareholders' rights and interests is the Company's goal.</p> <p>(5) Directors continuing education records: Please refer to 【Note 2】 .</p> <p>(6) Status of risk management policies and risk evaluation: The Company has established management procedures for important management indicators and implements them accordingly.</p> <p>(7) The Implementation Status of Customer Policies: The Company adheres to the business philosophy of customer first.</p> <p>(8) Status of D&O insurance purchased for its directors and supervisors:</p>	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			The director and executive liability insurance coverage with a limit of 10 million US dollars that the Company underwrote in 2024 has not yet expired as of the date of the annual report publication. The renewal process will be completed before the expiration in June 2025, and important information related to the insurance coverage will be reported to the Board of Directors.	
<p>9. 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:</p> <p>(1) Improvements in the corporate governance evaluation for the fiscal year 2024: The Company has improved disclosure by publishing its Board Diversity Policy and the Audit Committee’s annual key focus areas and operational status on the Company’s website.</p> <p>(2) Priority areas for future strengthening: Continue to promote ESG sustainability initiatives and align with international developments and regulatory requirements.</p>				

【Note 1】

Solytech Enterprise Corporation
 The 4th board meeting of the 14th term
 Assessment Checklist for Evaluating the Independence of certified public accountant:

Independence	Yes	No
Has the certified public accountant ever served as a director or independent director of the Company or its related affiliates?	✓	
Has the certified public accountant served as a shareholder of the Company or its related affiliates?	✓	
Has the certified public accountant not received any salary from the Company or its related affiliates?	✓	
Has the certified public accountant provided services to the Company continuously for seven years?		✓
Has the certified public accountant confirmed that their affiliated accounting firm has complied with relevant independence regulations?	✓	
Has any of the practicing certified public accountants of the accounting firm to which the certifying accountant belongs resigned from a position as a director, officer, or someone who has significant impact on an audit case of the Company within one year?	✓	

Note: The Board of Directors of the Company regularly evaluates the independence of the auditor. This matter was approved during the Board Meeting on March 13, 2025.

Note 2:

Solytech Enterprise Corporation
Directors continuing education records:

Title	Name	Date	Organizer	Course	Course Hours
Director	Cheng, Chieh	10/18/2024	Securities and Futures Institute	2024 Insider Trading Prevention Awareness Session	3.0
Director	Cheng, Hsiang	10/18/2024	Securities and Futures Institute	2024 Insider Trading Prevention Awareness Session	3.0
Director	Lee, Kan-Jung	10/18/2024	Securities and Futures Institute	2024 Insider Trading Prevention Awareness Session	3.0
Director	Cheng, Ken-Yi	04/26/2024	Corporate Operating and Sustainable Department Association	The Competitive Edge: Challenges and Business Perspectives for Taiwanese Enterprises	3.0
		09/04/2024		Operating practice of Corporate Governance and Independent Director	3.0
Independent Director	Chang, Ke-Hao	10/04/2024	Securities and Futures Institute	2024 Insider Trading Prevention Awareness Session	3.0
		11/26/2024	Taiwan Corporate Governance Association	Analysis of liability for dishonest business operations and illegal securities cases	3.0
Independent Director	Huang, Kuo-Ming	04/26/2024	Securities and Futures Institute	Board Directors, Supervisors, and Corporate Governance Executives Series – 2024 Global and Taiwan Economic Outlook	3.0
		05/13/2024	Accounting Research and Development Foundation	Latest Regulatory Developments and Practical Internal Control Applications in Annual Reports, Sustainability Disclosures, and Financial Reporting	6.0
		05/23/2024	Securities and Futures Institute	Board Directors, Supervisors, and Corporate Governance Executives Series – Functions and Outlook of the Taiwan Carbon Exchange	3.0
Independent Director	Chien, Min-Yu	02/27/2024	CPA Associations R.O.C. (Taiwan)	EAS No. 15 – Financial Instruments	3.0
		09/19/2024		09/19 (Taipei) Audit of Financial Assets (Recognized as Director Training)	4.0
		09/30/2024		Application of 2024 TIFRS and Recently Issued IFRS Q&A	3.0
		10/01/2024		10/01 (Taipei) Tax Incentives and Exemptions for Integrated Housing and Land Transactions	3.0
		10/28/2024		Recent Updates on Auditing Standards	3.0

(4) Composition, Responsibilities and Operations of the Remuneration Committee:

1. The term of the 5th Compensation Committee expired on June 18, 2024. At the first meeting of the 14th Board of Directors held on June 19, 2024, Independent Directors Mr. Chang, Ke-Hao, Mr. Huang, Kuo-Ming, and Ms. Chien, Min-Yu were appointed as members of the 6th Compensation Committee. On the same day, the committee members elected Independent Director Mr. Chang, Ke-Hao as the convener of the Compensation Committee.
2. The function of this committee is to evaluate the Company's director and manager remuneration policies and systems from a professional and objective perspective and to provide recommendations to the Board of Directors for their decision-making reference.
3. Members of Remuneration Committee:

Title	Criteria		Professional Qualification Requirements and Work Experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Remuneration Committee Member
	Name				
Convener and Independent Director	Chang, Ke-Hao	Refer to pages 4-6 for disclosure related to the Directors' professional qualifications and independence of the Independent Director.		(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. (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. (6) Less than half of the seats on the Board of Directors or voting rights are held by individuals who control the directors, supervisors, or employees of other companies. (7) Not being in a condition that 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: a director (or governor), supervisor, or employee of that other company or institution. (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. (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, or a spouse thereof. (10) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of other directors. (11) Not been a person of any conditions defined in Article 30 of the Company Law.	0
Independent Director	Huang, Kuo-Ming				0
Independent Director	Chien, Min-Yu				0

4. Implementation Status of Remuneration Committee:

- (1) There are 3 members in the Remuneration Committee.
- (2) The 5th term of the Remuneration Committee starts from July 29, 2021 to June 18, 2024.
The term of the 6th Remuneration Committee is from June 19, 2024 to June 18, 2027.
- (3) The remuneration committee held a total of three meetings (A) from January 1, 2024 to May 13, 2025. The membership and attendance of the committee are as follows:

Title	Name	Attendance in Person (B)	Attendance on behalf	Attendance Rate (B / A)	Remark
Convenor	Chang, Ke-Hao	3	0	100.00%	Reappointment: Member of the 6th Remuneration Committee Reappointment Date: June 19, 2024 Expected Number of Meetings to Attend: 3
Committee member	Huang, Kuo-Ming	3	0	100.00%	Appointment: Member of the 6th Remuneration Committee Appointment Date: June 19, 2024 Expected Number of Meetings to Attend: 3
Committee member	Chien, Min-Yu	3	0	100.00%	Appointment: Member of the 6th Remuneration Committee Appointment Date: June 19, 2024 Expected Number of Meetings to Attend: 3

Other mentionable items:

1. If the Board of Directors declines to adopt or modifies a recommendation of the Remuneration Committee, it should specify the date of the meeting, session, content of the motion, resolution by the Board of Directors, and the Company's response to the Remuneration Committee's opinion: None.
2. Resolutions of the Remuneration Committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.
3. The contents of motion and resolutions of the Remuneration Committee, and the Company's response to the Remuneration Committee's opinion:

Date of Remuneration Committee and Period	Content of Motion	Resolutions of Remuneration Committee Meeting	The Company's response to the remuneration committee's opinion
8/13/2024 The first Remuneration Committee Meeting of 6th term	1. Proposal for Structure and Payment Amounts for Directors' Remuneration and Transportation Allowances for the 14th Board of Directors	Except for the three independent directors — Mr. Chang, Ke-Hao, Mr. Huang, Kuo-Ming, and Ms. Chien, Min-Yu — who recused themselves from the discussion and voting due to conflicts of interest in accordance with legal requirements, the proposal was approved without objection by all other attending committee members upon inquiry by the Chairman.	When submitted to the Board of Directors, all three independent directors also recused themselves from the discussion and voting in accordance with the law. The proposal was approved without objection by the remaining directors.
11/12/2024 The second Remuneration Committee Meeting of 6th term	1. Proposal for the Amendment of Certain Provisions of the Company's "Managerial Remuneration Policy." 2. Proposal for the Distribution of Year-End Bonuses and Performance-Based Incentives for Managers for 2024. 3. Proposal for the Evaluation and Determination of Remuneration for	No objection was received after the chairman consulted all attending committee members. Therefore, the proposal was approved.	No objection was raised by all attending committee members in the Board of Directors meeting. Therefore, the proposal was approved.

	Directors and Managers for 2025.		
05/13/2025 The 3rd Remuneration Committee Meeting of 6 th term	1. Proposal for Amending Certain Provisions of the Company's "Regulations Governing Director Remuneration" 2. Proposal for Amending Certain Provisions of the Company's "Regulations Governing Managerial Remuneration" 3. Proposal for Adjusting the Remuneration of the Company's Managerial Officers	No objection was received after the chairman consulted all attending committee members. Therefore, the proposal was approved.	No objection was raised by all attending committee members in the Board of Directors meeting. Therefore, the proposal was approved.

5. This company has established the Remuneration Committee Charter. The committee shall faithfully conduct corporate affairs, perform the duty of care of a good administrator, and submit its recommendations to the Board of Directors for discussion.

- (1) Conduct regular reviews of this regulation and propose suggestions for revisions.
- (2) Develop and regularly review the annual and long-term performance goals for the directors and managers of the Company, as well as policies, systems, standards, and structures related to remuneration.
- (3) Conduct periodic evaluations of the performance goals achieved by the Company's directors and managers, and establish the content and amount of their individual remuneration.

6. Nomination committee membership and operation information: None

(5). Fulfillment of CSR and Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies"

Evaluation Item	Implementation Status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
1. Does the Company establish exclusively (or concurrently) dedicated first-line managers authorized by the board to be in charge of proposing the corporate social responsibility policies and reporting to the board?	✓		The Company established the "Sustainability Development Task Force" on March 14, 2024, following approval by the Board of Directors, and has formulated its organizational regulations accordingly. The task force comprises cross-departmental members, with the Board of Directors serving as the highest decision-making body and the General Manager acting as the Chief Convener. The task force is divided into three functional subcommittees: "Corporate Governance," "Environmental Sustainability," and "Social Inclusion." Each subcommittee is led by a designated unit head appointed by its convener and is responsible for specific duties and implementing relevant plans. An Executive Leader position has also been created to assist the convener in managing the progress and outcomes of each subcommittee. The ESG Task Force is required to report its implementation plans and results to the Board of Directors at least once a year.	No significant differences
2. Does the Company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies?(Note 2)	✓		In alignment with the Company's overall operational strategy, a "Risk Management Subcommittee" has been established under the Sustainability Development Task Force to build a comprehensive risk governance structure and management mechanism. Each risk management unit formulates necessary procedures based on its roles and responsibilities to analyze, monitor, and prevent risks within its scope. The risk control mechanisms and procedures are reviewed and adjusted regularly in response to internal and external environmental changes. In the event of a major risk, the matter must be reported to the Board of Directors. Based on the Company's business nature and operational characteristics, the following types of risks are included in the risk management framework: (1) Climate Risk, (2) Operational Risk, (3) Compliance Risk, (4) Financial Risk, (5) Human Resource Risk, (6) Information Security Risk.	No significant differences
3. Environmental Issues (1). Does the Company establish proper environmental management systems based on the characteristics of their industries?	✓		The main manufacturing facilities of the company have already obtained ISO 9001:2015 international certification (valid until November 2, 2025) and acquired the QC080000 Hazardous Substance Management System certificate (valid until November 23, 2025), each effectively implemented in accordance with procedures to execute environmental management systems.	No significant differences.
(2). Does the Company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	✓		The Company actively promotes energy reduction measures, gradually phasing out obsolete equipment, adopting energy-saving lighting and air conditioning, and increasing the proportion of recycled materials in product materials to maximize the benefits of the circular economy.	No significant differences.

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(3). Does the Company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	✓		The Company is committed to sustainability, continuously integrating environmental protection, energy conservation, and air purification into product research and innovation. Climate change impacts are considered in overall operations, with plans regularly reviewed and adjusted as needed, with reporting to the Board as required.	No significant differences.
(4). Does the Company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?		✓	Starting from 2025, the Company initiated its first year of greenhouse gas (GHG) emissions, water usage, and total waste volume inventory. Energy-saving measures have been implemented at office and construction sites, including turning off lights when not in use and setting air conditioning temperatures in alignment with environmental policies. These actions are part of the Company's efforts to achieve energy conservation and carbon reduction goals. The Company plans to establish formal carbon reduction targets by 2027.	Starting from 2025, specific action plans, including assessments, will be carried out in accordance with the schedule outlined in the Financial Supervisory Commission's "Sustainable Development Action Plan."
4. Social issues (1). Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		The Company acknowledges the human rights standards outlined in the "International Covenant on Civil and Political Rights" and has established personnel regulations in accordance with relevant labor laws to ensure compliance and safeguard employee rights. Continual attention is given to protection issues, with efforts made to promote awareness and enhance human rights protection.	No significant differences
(2). Does the Company have reasonable employee benefit measures (including salaries, leave, and other benefits), and do business performance or results reflect on employee salaries?	✓		Employee rights are valued by the Company, which periodically evaluates employee salaries, bonuses, and welfare systems. Employees are entitled to legal holidays, and a Workers' Welfare Committee is established to provide benefits such as birthday allowances, marriage benefits, childbirth allowances, funeral subsidies, etc. Annually, in accordance with the articles of association, employee compensation and distribution measures are allocated if profits are made.	No significant differences
(3). Does the Company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	✓		The Company has implemented access control security measures and passed government fire safety inspections and system tests. In addition to statutory labor and health insurance, the Company provides group insurance for employees and regularly offers free health check-ups to establish a safe and healthy workplace environment. There were no fire or occupational accidents reported in 2024.	No significant differences
(4). Does the Company provide its employees with career development and training sessions?	✓		The Company offers relevant internal and external professional education and training to enhance employees' career skills.	No significant differences
(5). Do the Company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer protection and grievance procedure policies implemented?	✓		Marketing and labeling of the Company's products and services comply with relevant regulations and international standards. Consumer rights are valued, and complete product information and post-sales service contact channels are provided to customers. A stakeholder section is also set up on the company website.	No significant differences

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(6). Does the Company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational health and safety, or labor and human rights? If so, describe the results.	✓		Before engaging with suppliers, the Company follows its Supplier Management procedures to ensure that suppliers meet requirements related to quality, product safety, ethical conduct, and privacy. Evaluations are conducted to determine whether suppliers qualify.	No significant differences
5. Does the Company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the Company, such as corporate social responsibility reports? Do the reports above obtain assurance from a third-party verification unit?		✓	In accordance with regulatory requirements, the Company will prepare a Sustainability Report in 2025 to disclose non-financial information.	It is expected that a sustainability report will be prepared in 2025.
6. Describe the difference, if any, between actual practice and the corporate social responsibility principles, if the Company has implemented such principles based on the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies: There are no differences.				
7. Other useful information for explaining the status of corporate social responsibility practices: None.				

The climate-related information of the company: (Companies meeting certain criteria should disclose climate-related information)

1. Climate-related information implementation status

Items	Implementation Status																																									
<p>1. Describe the supervision and governance of climate-related risks and opportunities by the Board of Directors and management.</p>	<p>The Board of Directors should ensure that climate-related issues are integrated into the organization's overall risk management framework and strategic planning processes. As the highest governing body for climate risk management within the company, the Board should adhere to legal requirements, oversee the organization's overall climate-related risk management objectives, understand the risks faced by operations, and ensure the effectiveness of risk management efforts.</p> <p>On the other hand, management is responsible for assessing and managing climate-related risks and opportunities. The Company coordinates with relevant departments to comply with sustainability-related regulations, including those related to climate and domestic carbon rights, and executes sustainability initiatives accordingly.</p>																																									
<p>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the Company (short-term, medium-term, long-term).</p>	<p>1. In recent years, extreme weather events, climate change adaptation, and natural disaster response have emerged as primary concerns in assessing the likelihood and impact of global climate risks. These issues are considered particularly significant at present. Preliminary efforts have been made to identify short-term (1-3 years), medium-term (3-10 years), and long-term (over 10 years) climate-related risks and opportunities that are more relevant to the Company :</p> <table border="1" data-bbox="539 531 2056 1038"> <thead> <tr> <th>Type</th> <th>Type of Risk</th> <th>Identified Risks and Opportunities</th> <th>Potential Financial Impacts</th> <th>Period</th> </tr> </thead> <tbody> <tr> <td>Risk</td> <td>Transition Risk</td> <td>Policies and regulations: Emerging regulations related to renewable energy and carbon fees.</td> <td>To comply with emerging regulations related to renewable energy and carbon taxes, additional costs may be incurred, thereby increasing operating expenses.</td> <td>Medium-term</td> </tr> <tr> <td>Risk</td> <td>Physical Risk</td> <td>Sudden: Increased severity and frequency of extreme weather events.</td> <td>Financial losses related to disruptions in company operations and supply chain capacity due to disasters caused by extreme weather events.</td> <td>Short-term</td> </tr> <tr> <td>Risk</td> <td>Transition Risk</td> <td>Product: Changes in customer behavior</td> <td>The rise in customer environmental awareness leads to a preference for products from zero-emission companies, necessitating investment in emission reduction facilities. Changes in customer behavior result in decreased product sales revenue.</td> <td>Medium-term</td> </tr> <tr> <td>Risk</td> <td>Physical Risk</td> <td>Long-term: Alterations in rainfall patterns and extreme climate</td> <td>Extreme rainfall patterns, such as insufficient rainfall during drought seasons increasing the risk of water shortages, requiring investment in water-saving facilities and the implementation of water restriction measures, leading to increased operating costs. 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	<p>2. Implications for the Company's business stemming from the identified climate risks and opportunities</p> <p>(1) Implementation of greenhouse gas emission reduction management strategies (medium to long term)</p> <table border="1" data-bbox="600 252 2085 405"> <thead> <tr> <th data-bbox="600 252 1227 288">Strategy</th> <th data-bbox="1227 252 2085 288">Financial Impacts</th> </tr> </thead> <tbody> <tr> <td data-bbox="600 288 1227 405">The key measures include: replacing lighting fixtures, gradually upgrading energy-efficient data centers, and replacing air conditioning units with high-efficiency models.</td> <td data-bbox="1227 288 2085 405">Each year, there is a gradual reduction in carbon dioxide emissions. Although initial investment is required for equipment upgrades, after replacement, the energy efficiency of the equipment is improved, leading to reduced operational and financial costs related to electricity bills.</td> </tr> </tbody> </table> <p>(2) Climate Disaster Response Management Strategy (Short-Term)</p> <table border="1" data-bbox="600 453 1715 576"> <thead> <tr> <th data-bbox="600 453 981 489">Strategy</th> <th data-bbox="981 453 1715 489">Financial Impacts</th> </tr> </thead> <tbody> <tr> <td data-bbox="600 489 981 576">Assessing and developing the necessity of implementing emergency measures to mitigate extreme weather conditions.</td> <td data-bbox="981 489 1715 576">In 2024, there were no financial impacts such as operational disruptions or supply shortages caused by climate-related disasters. The office's disaster mitigation efforts prevented financial asset impairments.</td> </tr> </tbody> </table> <p>(3) Develop innovative strategies for low-carbon product research and development (medium to long term)</p> <table border="1" data-bbox="600 632 1715 783"> <thead> <tr> <th data-bbox="600 632 981 668">Strategy</th> <th data-bbox="981 632 1715 668">Financial Impacts</th> </tr> </thead> <tbody> <tr> <td data-bbox="600 668 981 783">Maximize the use of recyclable materials and environmentally friendly materials with minimal environmental impact.</td> <td data-bbox="981 668 1715 783">These contributions in end-product usage subsequently result in reduced environmental impact, enhancing consumer recognition of the Company's environmental efforts. As a result, business sales are less affected by the rising environmental consciousness.</td> </tr> </tbody> </table>	Strategy	Financial Impacts	The key measures include: replacing lighting fixtures, gradually upgrading energy-efficient data centers, and replacing air conditioning units with high-efficiency models.	Each year, there is a gradual reduction in carbon dioxide emissions. Although initial investment is required for equipment upgrades, after replacement, the energy efficiency of the equipment is improved, leading to reduced operational and financial costs related to electricity bills.	Strategy	Financial Impacts	Assessing and developing the necessity of implementing emergency measures to mitigate extreme weather conditions.	In 2024, there were no financial impacts such as operational disruptions or supply shortages caused by climate-related disasters. The office's disaster mitigation efforts prevented financial asset impairments.	Strategy	Financial Impacts	Maximize the use of recyclable materials and environmentally friendly materials with minimal environmental impact.	These contributions in end-product usage subsequently result in reduced environmental impact, enhancing consumer recognition of the Company's environmental efforts. As a result, business sales are less affected by the rising environmental consciousness.
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<p>3. Describe the financial impacts of extreme weather events and transition actions.</p>	<p>1. The following are the potential financial losses caused by extreme weather events:</p> <p>(1) Asset Loss: Extreme weather events may potentially cause damage to office premises and equipment. Direct damage to buildings and equipment results in immediate impairment in valuation.</p> <p>(2) Production Interruption: If production activities are not directly engaged in, there is no need to assess the direct losses from production interruption.</p> <p>(3) Supply Chain Disruption: Extreme weather events affecting suppliers may damage their production facilities, disrupt the supply chain, and lead to labor shortages. Additionally, transportation networks may be impacted by extreme weather events, causing delays in the transportation of goods and supplier materials. Consequently, the company may incur increased business and operational costs due to delayed delivery, compensation for breach of contract, or order cancellations. Implementing climate transition measures may involve various costs related to equipment upgrades and providing training.</p> <p>2. Costs Associated with Climate Transition Measures:</p> <p>(1) Product Upgrades (2) Equipment Updates (3) Training Expenses</p> <p>3. In response to extreme weather events and transition actions, the Company will develop relevant financial planning and response strategies in the future.</p> <p>1. Risk Assessment and Scenario Planning: Conduct thorough risk assessments to determine the potential vulnerabilities to extreme weather events and transition risks. Evaluate various climate-related scenario risks and their potential financial impacts on the business. Assess the likelihood and severity of risks, including physical risks (such as property damage, supply chain disruptions) and transition risks (such as regulatory changes, market shifts).</p> <p>2. Insurance and Risk Transfer: After assessment, if deemed necessary upon evaluation, the Company may consider using insurance instruments as a hedging measure.</p> <p>3. Financial Allocation: Evaluate financial resources that can be allocated to climate adaptation costs, personnel training, etc., to enhance resilience to extreme weather events .</p>												
<p>4. Describe how the identification, assessment, and management process of climate risks are integrated into the overall risk management system.</p>	<p>Identifying climate-related risks includes extreme weather events and climate policy changes, which will need to be evaluated for their impacts on the Company's operations, supply chain, and finances. The effective steps for identifying climate-related risks are as follows:</p> <p>1. Conducting climate risk assessment: Start by conducting a thorough assessment of climate risks to determine the potential hazards, vulnerabilities, and exposures relevant to the business scope and geographical location. Evaluate historical climate data, trend analysis, and future climate predictions to understand the likelihood and severity of extreme weather events.</p>												

Items	Implementation Status
	<p>2. Assessing physical risks: Identify physical risks associated with extreme weather events, including their direct impacts on infrastructure, assets, and operations. Consider the effects of climate-related disasters on assets, facilities, and supply chain networks.</p> <p>3. Analyzing transition risks: Evaluate the transition risks arising from climate policies, regulations, and market dynamics that may affect business operations, investments, and market competitiveness. Monitor the dynamics related to carbon pricing, emission standards, and sustainability reporting requirements in relevant jurisdictions.</p> <p>4. Engaging with stakeholders: Communicate with internal and external stakeholders and keep them updated on climate risks and trends.</p> <p>Properly utilizes risk management tools and models:</p> <ol style="list-style-type: none"> 1. Utilizing probability models, scenario analysis, and other tools to quantify climate-related risks based on their potential financial impacts and likelihood, thus determining their priority. 2. Integrating environmental data and analysis: Incorporating environmental data and analysis into the risk assessment process to enhance understanding of climate-related risks and provide information for decision-making. 3. Keeping information up-to-date: Staying informed about scientific research on climate change, evolution of climate models, and regulatory updates to anticipate future risks and opportunities. Considering climate risks in business processes: Integrating climate risks into strategic planning, supply chain management, and operational risk assessment processes. This aims to establish governance frameworks and monitoring mechanisms to ensure that climate risk management is integrated into all levels of the organization. By following these steps and adopting a systematic approach to identify climate-related risks, the Company can enhance its climate resilience, mitigate financial losses, and leverage opportunities arising from efforts to address climate change.
<p>5. If resilience to climate change risks is assessed using scenario analysis, the scenario, parameters, assumptions, analysis factors, and primary financial impacts should be explained.</p>	<p>The Company has not adopted scenario analysis for risk assessment.</p>
<p>6. If there is a climate risk management transformation plan in place, please describe its contents, as well as the indicators and objectives used to identify and manage physical and transitional risks.</p>	<p>Related Transformation Plan Details:</p> <ol style="list-style-type: none"> 1. Deliberate on increasing the ratio of purchasing renewable energy to reduce the costs of carbon emissions from energy generation and energy use. 2. Gradually replace office lighting and air conditioning equipment with high-efficiency, energy-saving equipment, conduct energy management, aiming to reduce greenhouse gas emissions, minimize environmental impacts, and enhance climate adaptation capabilities. Ensure the improvement of energy efficiency and optimize resource utilization to implement measures to reduce carbon emissions. 3. Evaluate and establish emergency response measures for extreme weather events to enhance the Company's resilience and adaptability to climate-related risks. 4. Assess infrastructure upgrades to protect assets and facilities from the impacts of extreme weather events. 5. Supply chain management: Considerations for business continuity plans and emergency response measures to mitigate the impacts of climate-related disruptions on operations. 6. Allocate appropriate financial resources to support expenditures for climate mitigation and adaptation. <p>According to the schedule planned by the competent authority, the parent company's individual greenhouse gas inventory will be completed in 2026 (with confirmation expected in 2028), and the merged subsidiary company's greenhouse gas inventory will be completed in 2027 (with confirmation expected in 2029). According to regulations, the greenhouse gas emission reduction targets for the merged parent and subsidiary companies will be set in 2027, based on the greenhouse gas inventory base year (including data from the parent-subsidary consolidated financial statements for the year 2026). Indicators that may be used for evaluating climate risks and opportunities include electricity consumption, greenhouse gas emissions, water consumption, number of days of operational disruption due to climate disasters, etc. The base year for greenhouse gas emissions (including data from the parent-subsidary consolidated financial statements for the year 2026) is expected to be used to establish carbon emission reduction targets in 2027.</p>
<p>7. If internal carbon pricing is used as a planning tool, the basis for price determination should be explained.</p>	<p>The Company has not adopted internal carbon pricing.</p>
<p>8. If climate-related goals are set, information should be provided on the activities covered, scope</p>	<p>Indicators and Goals:</p> <ol style="list-style-type: none"> 1. Greenhouse Gas Emissions and Related Risks: Based on the baseline year (including the consolidated financial report data of the parent and subsidiary companies for the year 2026), emission reduction targets will be established by 2027.

Items	Implementation Status
<p>of greenhouse gas emissions, planning schedule, progress achieved annually, etc. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve the related goals, the source and quantity of the offset carbon emissions or the number of RECs exchanged should be specified.</p>	<p>2.Expected Targets and Performance:</p> <ul style="list-style-type: none"> (1) By 2027, carbon emission reduction targets will be set for Scope 1 and Scope 2 emissions compared to the baseline year (including the consolidated financial data of the parent and subsidiary companies for the year 2026). (2) Ensure the uninterrupted operation of key regional operations, including IT data centers; mitigating factors affecting normal personnel operations in general office environments to ensure the sustainable operation of the Company. (3) Implement a series of environmentally friendly and low-carbon practices continuously across office locations, gradually completing the replacement of LED energy-saving lighting in offices. Energy-saving electricity targets will be set for 2027 based on the 2026 baseline. (4) Future initiatives will include various measures to reduce water usage, with water conservation targets set for 2027 based on the water consumption in the baseline year 2026.
<p>9. Greenhouse gas inventory and verification status with reduction goals, strategies, and specific action plans.</p>	<p>Not applicable</p> <p>The Company, being an individual parent company of a listed or over-the-counter company with a paid-in capital of less than NT\$5 billion, shall complete the inventory information disclosure starting from 2026 and the verification information disclosure starting from 2028; and the consolidated financial report subsidiary of a listed or over-the-counter company with a paid-in capital of less than NT\$5 billion shall complete the inventory information disclosure starting from 2027 and the verification information disclosure starting from 2029.</p>

(6). Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons

Evaluation Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>1. Establishment of ethical corporate management policies and programs</p> <p>(1) Does the Company have a Board-approved ethical corporate management policy and state in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?</p> <p>(2) Does the Company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the Company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?</p> <p>(3) Does the Company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the Company enforce the programs above effectively and perform regular reviews and amendments?</p>	✓		<p>(1) The Company adheres to the Company Act, relevant regulations for TWSE/TPEX Listed Companies, and other laws and regulations related to commercial activities as the basic premise for implementing ethical business practices.</p> <p>(2) This company irregularly assigns senior managers to attend business integrity-related seminars organized by competent authority to strengthen the integrity and ethical values of the Company's management, and to ensure the implementation of such values in internal management and external business activities.</p> <p>(3) The internal control system of this company clearly stipulates that when engaging in commercial activities, the Company and their directors, managers, employees, and persons having substantial control over such companies shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts, including the rebate, commission, facilitation payment, or other ways for purposes of acquiring or offering benefits in whatever form to or from clients, agents, contractors, suppliers, public servants, or other stakeholders.</p>	None
<p>2. Fulfill operations integrity policy</p> <p>(1) Does the Company evaluate business partners' ethical records and include ethics-related clauses in business contracts?</p>	✓		<p>(1) The Company upholds fair and transparent business practices. Before conducting any business transactions, the Company assesses the legitimacy and trustworthiness of the Company's agents, suppliers, customers, or any other business partners, and avoid conducting transactions with those who have a record of involvement in unethical conduct.</p>	None

Evaluation Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>(2) Does the Company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?</p> <p>(3) Does the Company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?</p> <p>(4) Does the Company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?</p> <p>(5) Does the Company regularly hold internal and external educational trainings on operational integrity?</p>			<p>(2) The Company has an audit room, where internal auditors regularly examine the operation of corporate governance and create audit reports presented to the Board of Directors.</p> <p>(3) The Company's directors and managers rescue due to conflicts of interest.</p> <p>(4) The Company has established an internal control system to ensure the continued effectiveness of its design and implementation. The internal audit personnel conduct annual reviews and revisions to implement a sound corporate governance and risk management system.</p> <p>(5) The Company currently does not hold regular internal or external training on the topic of business integrity.</p>	
<p>3. Operation of the integrity channel</p> <p>(1) Does the Company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?</p> <p>(2) Does the Company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant post-investigation confidentiality measures?</p> <p>(3) Does the Company provide proper whistleblower protection?</p>	✓		The Company has an audit room that provides a legitimate reporting channel and ensures the confidentiality of the whistleblower's identity and reported content. Any personnel who violate the policy will be disciplined according to the Company's internal management policies.	None
<p>4. Strengthening information disclosure:</p> <p>Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company's website and TWSE MOPS?</p>	✓		<p>(1) The Company has established a website and provides annual report information to disclose the implementation status of the Company's integrity management.</p> <p>(2) The Company has disclosed information to the regulatory authorities and the public through TWSE MOPS and the Company's website in a complete, appropriate, timely, and correct manner.</p>	None
5. If the Company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation: There are no differences.				
6. Other important information to facilitate a better understanding of the Company's ethical corporate management policies: None.				

(7). Other important information to facilitate a better understanding of the Company's ethical corporate management policies: None.

(8). Implementation Status of Internal Control System

A. Statement of Internal Control:

Solytech Enterprise Corporation
Statement of Internal Control

Date: 03/13/2025

Based on the self-assessment results, statement on the Internal Control System of the Company for the Fiscal Year 2024:

1. The Company hereby declares that it recognizes the responsibility of the Board of Directors and management for the establishment, implementation, and maintenance of the internal control system. The purpose of this system is to achieve the goals of operational effectiveness and efficiency (including profitability, performance, and asset protection), reliable reporting, timely transparency, and compliance with relevant regulations and laws, providing reasonable assurance.
2. The internal control system has inherent limitations and can only provide reasonable assurance for achieving the above three goals, no matter how well-designed it is. Furthermore, the effectiveness of the internal control system may change due to changes in the environment or circumstances. However, the company's internal control system has a self-monitoring mechanism, and if any deficiencies are identified, corrective actions will be taken.
3. According to the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Criteria"), the Company judges the effectiveness of the design and implementation of our internal control system. The Criteria use the process of management control to divide the internal control system into five components: (1) Control Environment, (2) Risk Assessment, (3) Control Activities, (4) Information and Communication, and (5) Monitoring. Each component also includes several elements, which are specified in the Criteria.
4. The Company has already used the aforementioned internal control system evaluation criteria to assess the effectiveness of our internal control system's design and implementation.
5. Based on the evaluation results in the previous item, the Company believes that its internal control system, including supervision and management of subsidiaries, as of December 31, 2024, which covers understanding the degree of achievement of operational effectiveness and efficiency goals, reliable reporting, timeliness, transparency, compliance with relevant regulations and laws, and other internal control system design and implementation, is effective. It can reasonably ensure the achievement of the aforementioned goals.
6. This statement will become the main content of the Company's annual report and public disclosure, and will be publicly available. If there are any false or hidden illegal activities in the aforementioned public content, it will involve legal responsibilities under the Securities and Exchange Act, including Articles 20, 32, 171, and 174.
7. This statement was passed by the Company's Board of Directors on March 13, 2025, with attendance of 7 directors, of which 0 had dissenting opinions, and all others agreed to the content of this statement. This statement is hereby declared.

Solytech Enterprise Corporation
Chairman: Cheng, Chieh
General Manager: Cheng, Hsiang

2. If an accountant is commissioned to review the internal control system, it should be disclosed in the accountant's review report: None
- (9) Major Resolutions of Shareholders Meeting and Board Meeting during 2024 Year up to the Publication Date of the Annual Report:

A.Resolutions and Implementation Status of Shareholders' Meeting of 2024

Meeting Date: 2024/6/19 (Wed) 9:00 AM

Proposals

Proposal No.1

Proposed by Board of Director

Proposal: Proposals of the 2023 Annual Business Report and financial statements of the Corporation.

Resolution: According to the voting results of the attending shareholders, the number of approval votes has exceeded the statutory threshold. The proposal was approved.

Total Votes	Voting Results	% of Attending Shareholders
82,536,305	Approval votes: 82,424,933 (electronic transmission: 1,450,196)	99.86%
	Disapproval votes: 28,022 (electronic transmission: 28,022)	0.03%
	Invalid votes: 0	0.00%
	Abstention Votes/No votes: 83,350 (electronic transmission: 83,293)	0.10%

Implementation Status: Disclosed on TWSE MOPS website after shareholders meeting.

Proposal No.2

Proposed by Board of Director

Proposal: Approval of loss carryforward for the year 2023.

Resolution: According to the voting results of the attending shareholders, the number of approval votes has exceeded the statutory threshold. The proposal was approved.

Total Votes	Voting Results	% of Attending Shareholders
82,536,305	Approval votes: 82,350,753 (electronic transmission: 1,376,016)	99.77%
	Disapproval votes: 99,513 (electronic transmission: 99,513)	0.12%
	Invalid votes: 0	0.00%
	Abstention Votes/No votes: 86,039 (electronic transmission: 85,982)	0.10%

Implementation Status: Disclosed on TWSE MOPS website after shareholders meeting.

Election Matters

Proposal No.1

Proposed by Board of Director

Proposal: Election of the 14th Board of Directors.

Election Results: No questions were raised by shareholders. The elected directors (including independent directors) are as follows:

Position	Account No. / ID No.	Name	Number of Votes Received	Note
Director	8532	Cheng, Chieh	130,626,038	Elected
Director	8531	Cheng, Hsiang	106,264,863	Elected
Director	A121XXXXXX	Cheng, Ken-Yi	77,159,234	Elected
Director	9049	Lee, Kan-Jung	74,407,350	Elected
Independent Director	D121XXXXXX	Chang, Ke-Hao	61,930,477	Elected
Independent Director	N123XXXXXX	Huang, Kuo-Ming	60,614,846	Elected
Independent Director	F225XXXXXX	Chien, Min-Yu	60,609,568	Elected

Discussion Matters

Discussion No.1

Proposed by Board of Director

Proposal: Release of Non-Competition Restrictions on Newly Elected Directors (for discussion).

Resolution: According to the voting results of the attending shareholders, the number of approval votes has exceeded the statutory threshold.

The proposal was approved.

Total Votes	Voting Results	% of Attending Shareholders
82,536,305	Approval votes: (electronic transmission: 82,288,120 1,313,383)	99.69%
	Disapproval votes: (electronic transmission: 120,329 120,329)	0.14%
	Invalid votes: 0	0.00%
	Abstention Votes/No votes: (electronic transmission 127,856 127,799)	0.15%

Implementation Status: After the shareholders' meeting, relevant operations were announced on TWSE MOPS website.

B. Important Resolutions of the Board of Directors during 2024 and as of the date of publication of this annual report

Minutes of the 13th Meeting of the 13th term Board of Directors (excerpt)

Meeting time: 3/14/2024 (Thu) 10:30 AM

Proposal: Proposal to apply for a general credit limit from Bank of Taiwan, Xin-Zhuang Branch.

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Proposal of Assessment of the Effectiveness of Internal Control Systems and the Internal Control System Statement in 2023.

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Proposal of the Company's 2023 Annual Business Report, Financial Statements, and Consolidated Financial Statements.

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Proposal of The Company's 2023 Fiscal Year Loss Compensation Plan.

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Evaluation of the Independence and Qualification of the Signing CPAs.

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Amendment to Certain Articles of the Company's "Board Performance Evaluation Procedures".

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Amendment to Certain Articles of the Company's "Audit Committee Organization Regulations".

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Amendment to Certain Articles of the Company's "Board Meeting Rules".

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Election of Directors for the 14th Term of the Company.

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Matters Related to Convening the 2024 Annual General Meeting of Shareholders of the Company.

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Minutes of the 14th Meeting of the 13th term Board of Directors (excerpt)

Meeting time: 5/8/2024 (Wed) 10:30 AM

Proposal: Proposal to apply for a short-term credit limit from the Chang Hwa Bank, Szuyuan Branch.

Resolution: No objection was received after the Chairman consulted all attending Directors.

Proposal: Q1 consolidated financial statements for 2024.

Resolution: No objection was received after the Chairman consulted all attending Directors.

Proposal: Proposal to nominate and approve the list of candidates for the 14th Board of Directors and Independent Directors of the Company.

Resolution: No objection was received after the Chairman consulted all attending Directors.

Proposal: Proposal to lift the non-compete restrictions for newly appointed directors (including independent directors).

Resolution: No objection was received after the Chairman consulted all attending Directors.

Minutes of the 1st Meeting of the 14th term Board of Directors (excerpt)

Meeting time: 6/19/2024 (Wed) 10:20 AM

Proposal: Election of the Chairman of the 14th Board of Directors

Resolution: The proposal was unanimously approved by all attending directors, and Director Cheng, Chieh was reappointed as Chairman.

Proposal: Appointment of Members to the 6th Remuneration Committee

Resolution: Except for the three independent directors, who recused themselves from the discussion and voting due to conflicts of interest, the proposal was approved without objection by all other attending directors upon inquiry by the Chairman.

Minutes of the 2nd Meeting of the 14th term Board of Directors (excerpt)

Meeting time: 8/13/2024 (Tue) 10:15 AM

Proposal: 2024 Q2 Consolidated Financial Statements

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Structure and Payment Amounts for Directors' Remuneration and Transportation Allowances for the 14th Board of Directors.

Resolution: All directors with conflicts of interest recused themselves from the discussion and voting in accordance with applicable regulations. The proposal was approved without objection by the remaining attending directors.

Minutes of the 3rd Meeting of the 14th term Board of Directors (excerpt)

Meeting time: 11/12/2024 (Tue) 10:30 AM

Proposal: Proposal to apply to E.SUN COMMERCIAL BANK, LTD for a credit comprehensive limit of thirty million New Taiwan Dollars.

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Amendment to the assessment and appointment of the Signing CPAs.

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: 2024 Q3 Consolidated Financial Statements

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Amendment to the "Internal Control System" and the "Internal Audit Implementation Guidelines"

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Formulation of the "2025 Internal Audit Plan"

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Amendment to Certain Provisions of the Company's "Managerial Remuneration Policy"

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Distribution of Year-End Bonuses and Performance-Based Incentives for Managers for Fiscal Year 2024

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Evaluation of Remuneration for Directors and Managers for Fiscal Year 2025

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Minutes of the 4th Meeting of the 14th term Board of Directors (excerpt)

Meeting time: 3/13/2025 (Thu) 10:30 AM

Proposal: 2024 Evaluation of the Effectiveness of the Internal Control System and Statement of Internal Control

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: 2024 Business Report, Financial Statements, and Consolidated Financial Statements

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: The Company's loss carryforward for the year 2024.

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Evaluation of the Independence and Competence of the Signing CPAs, and Proposal for Appointment and Remuneration

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Amendment to Certain Provisions of the Company's Articles of Incorporation

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Definition of the Scope of the Company's Entry-Level Employees

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Amendment to Certain Provisions of the Company's Internal Control System

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Proposal for the Acquisition of the Right-of-Use of Real Estate Leased from Related Party Deer Computer Co., Ltd.

Resolution: In accordance with applicable regulations, Director Mr. Cheng, Hsiang, having a conflict of interest, recused himself from the discussion and voting. No objection was received after the Chairman consulted all other attending Directors. Therefore, the proposal was approved.

Proposal: Proposal for the Release of Non-Competition Restrictions on Independent Directors

Resolution: In accordance with applicable regulations, the involved directors recused themselves from the discussion and voting. No objection was received after the Chairman consulted the remaining attending Directors. Therefore, the proposal was approved.

Proposal: Proposal for Convening the Company's 2025 Annual General Meeting

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Minutes of the 5th Meeting of the 14th term Board of Directors (excerpt)

Meeting time: 5/13/2025 (Tue) 10:30 AM

Proposal: Proposal to apply for a short-term credit limit from the Chang Hwa Bank, Szuyuan Branch.

Resolution: No objection was received after the Chairman consulted all attending Directors.

Proposal: 2025 Q1 Consolidated Financial Statements

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Renaming and Amendment to the Company's "Corporate Social Responsibility and Environmental Code of Conduct"

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Pre-approval for the Provision of Non-assurance Services by the audit Firm and Its Affiliate to the Company and Its Subsidiaries

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Amendment to Certain Provisions of the Company's "Director Remuneration Policy"

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Amendment to Certain Provisions of the Company's "Managerial Remuneration Policy"

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

Proposal: Adjustment to the Remuneration of the Company's Managerial Officers

Resolution: No objection was received after the Chairman consulted all attending Directors. Therefore, the proposal was approved.

- (10) Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the Board of Directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof: None.

4. Visiting accountant's public expense information

Unit: Thousand (NTD)

The Accounting Firm	Name	Audit Period of the Accountant	Audit Fees (Note 1)	Non-Audit Fees (Note 2)	Total	Remark
PwC Taiwan	Hsu, Yong-Jian	2024/1/1~2024/6/30	2,675	160	2,835	Internal Position Adjustment within the Accounting Firm
	Wu, Jen-Chieh					
PwC Taiwan	Wu, Jen-Chieh	2024/7/1~2024/12/31				
	Hu, Chih-Hua					

Note 1: Audit fees refer to the fees paid by the Company to the auditing accountant for financial report auditing, review, re-audit, and tax certification.

Note 2: The non-audit public fee refers to the service fee for transfer pricing projects.

- (1). The Company should disclose the amount of audit fees and non-audit fees paid to the engagement auditor and its affiliated accounting firm and related enterprises, as well as the nature of non-audit services: None.
- (2). If the accounting firm is changed and the audit fees paid for the year of change are less than the audit fees for the previous year, the amounts and reasons for the change in audit fees before and after the change should be disclosed: None.
- (3). If the audit fees have decreased by more than 10% compared to the previous year, the amount, proportion, and reasons for the decrease in audit fees should be disclosed: None.
- (4). The audit fees referred to in the preceding paragraphs refer to the fees paid by the Company to the auditor for financial report audit, review, compilation, financial forecast review, and tax certification: NT\$2,675 thousand.

5. Information on changing of CPAs

(1) Predecessor CPA information

Date of Change	November 12, 2024		
Reason for Change	Internal rotation within the accounting firm		
Explanation of Resignation or Non-Acceptance	Involved Party	CPA	Appointing Party
	Circumstances	Not Applicable	Not Applicable
	Voluntary Termination of Engagement	Not Applicable	Not Applicable
	Declined to Accept (or Continue) the Engagement	Not Applicable	Not Applicable
Any audit opinions other than unqualified in the past two years	None		
Any Disagreements with the Issuer	Yes	Accounting Principles or Practices	
		Disclosure in Financial Reporting	
		Audit Scope or Procedures	
		Others	
	No	✓	
	Explanation		
Other Disclosure Matters (Items required to be disclosed under Article 10, Paragraph 6, Subparagraph 1, Items 4 to 7 of these Guidelines)	Not applicable		

(2) Successor CPA information

CPA Firm Name	PwC Taiwan
Names of CPAs	Hu, Chih-Hua
Date of Engagement	November 12, 2024
Consultation with the Successor CPA Prior to Engagement Regarding Accounting Treatments or Principles for Specific Transactions and Potential Audit Opinions	None
Written Disagreements Between Successor and Predecessor CPAs	None

(3) Response Letter from the Predecessor CPA Regarding the Three Items under Article 10, Paragraph 6, Subparagraph 1 and Subparagraph 2 of the Guidelines: None.

6. The Chairman, General Manager, or manager responsible for finance or accounting affairs of the Company has worked in the auditing firm or its affiliated enterprises within the past year: None.
7. For the fiscal year 2024 and up until the date of printing of this annual report, disclose the changes in share ownership and pledge by directors, managerial officers, and shareholders who hold more than 10% of the shares:

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

Unit: Share

Title	Name	2024		For the fiscal year 2024 and up until April 22, 2025	
		Increase (decrease) in number of shares held	Increase (decrease) in pledged shares	Increase (decrease) in number of shares held	Increase (decrease) in pledged shares
Chairman and Chief Operating Officer	Cheng, Chieh (Note1, 2)	0	0	0	0
Director and General Manager	Cheng, Hsiang (Note1, 2)	0	0	0	0
Director	Cheng, Ken-Yi (Note1, 2)	0	0	0	0
Director	Lee, Kan-Jung (Note1, 2)	0	0	0	0
Independent Director	Chung, Yi-Hao (Note1, 3)	0	0	0	0
Independent Director	Ho, Mei-Ying (Note1, 3)	0	0	0	0
Independent Director	Chang, Ke-Hao (Note1, 2)	0	0	0	0
Independent Director	Huang, Kuo-Ming (Note 2)	0	0	0	0
Independent Director	Chien, Min-Yu (Note 2)	0	0	0	0

Deputy General Manager And Finance and Accounting Manager	Lin, Ta-Chiun	0	0	0	0
Assistant Manager	Tseng, Shih-Hsin	0	0	0	0
Corporate Governance Officer	Huang, Chia-Chun	0	0	0	0

Note 1: The term of office for the 13th Board of Directors and Independent Directors ended on June 18, 2024.

Note 2: The 14th Board of Directors was elected at the shareholders' meeting on June 19, 2024, and their term shall run from June 19, 2024, to June 18, 2027.

Note 3: Changes in shareholding and pledged shares are disclosed from the date of assumption of office; no further disclosure is made from the date of resignation.

- (2) The related parties involved in the transfer of shareholding exceeding 10% by directors, managers, and shareholders: None.
- (3) Changes in the pledge of shareholding exceeding 10% by directors, managers, and shareholders: None.

8. Information on the relationships between the top ten shareholders who hold a significant proportion of shares and are related as family members within the second degree of kinship or are related parties:

Date: 4/22/2025; Unit: Thousand Shares; Percentage: %

Shareholder Name	Shareholdings		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		The names and relationships of the top ten shareholders who have related-party transactions or are spouses or close relatives within the second degree of kinship.		Remark
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Cheng, Chieh	9,290	6.17	205	0.14	0	0	Cheng, Hsiang Lee, Kan-Jung	Siblings Affinity	None
Cheng, Hsiang	8,737	5.80	1,144	0.76	0	0	Cheng, Chieh Lee, Kan-Jung	Siblings Spouses	None
Chou, Chung-Hsien (Note 2)	2,609	1.74	(Note 2)	(Note 2)	(Note 2)	(Note 2)	None	None	None
Kuo, Yu-Chin (Note 2)	1,604	1.07	(Note 2)	(Note 2)	(Note 2)	(Note 2)	None	None	None
Lin, Hui-Fen (Note 2)	1,470	0.98	(Note 2)	(Note 2)	(Note 2)	(Note 2)	None	None	None
Hsu, Jen-Chung (Note 2)	1,408	0.94	(Note 2)	(Note 2)	(Note 2)	(Note 2)	None	None	None
Hou, Hsien-Chung (Note 2)	1,150	0.77	(Note 2)	(Note 2)	(Note 2)	(Note 2)	None	None	None
Lee, Kan-Jung	1,144	0.76	8,737	5.80	0	0	Cheng, Hsiang Cheng, Chieh	Spouses Affinity	None
Chang, Ching-Hui (Note 2)	1,010	0.67	(Note 2)	(Note 2)	(Note 2)	(Note 2)	None	None	None
Li, Hsiu-Chin (Note 2)	645	0.43	(Note 2)	(Note 2)	(Note 2)	(Note 2)	None	None	None

Note 1: The shareholding ratio is calculated based on the shareholding data as of the latest record date of April 22, 2025 and calculated based on a total issued share of 150,414,536 shares.

Note 2: The shareholders did not provide relevant information.

9. The Company, its directors, managers, and businesses directly or indirectly controlled by the Company shall report their shareholding in the same investee, and the comprehensive shareholding ratio shall be calculated by consolidation:

Date: 12/31/2024; Unit: Thousand Shares; %

Investee	Investments by the Company		Investments by directors, managers, and businesses directly or indirectly controlled by the Company		Comprehensive investment	
	Shares	%	Shares	%	Shares	%
Ample Crown International Ltd. (Note 1)	64,390	100.00%	0	0	64,390	100.00%
FONG YIN INVESTMENT CO., LTD. (Note 1)	1,450	100.00%	0	0	1,450	100.00%
METAGONE BIOTECH INC. (Note 2)	6,946	19.52%	3,238	9.1%	10,184	28.62%
Yuanta U.S. Treasury 20+ Year Bond ETF (Note 2)	390	0.00%	0	0	390	0.00%

Note 1: Refers to investments accounted for using equity method by the Company.

Note 2: Refers to financial assets measured at fair value through profit or loss by the Company.

III. Capital Overview

1. Capital and Shares

(1) Source of Capital

A. Issued Shares

Unit: Except for the issued price, all other amounts are in thousands of NTD; Thousand shares

Month/ Year	Par Value	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Source of Capital	Capital Increased by Assets Other than Cash	Other
The year before 2000	10	149,000	1,490,000	117,128	1,171,280	Capital for company establishment, cash capital increase, retained earnings, and capital surplus to increase capitalization, etc.	0	None
10/2005	10	149,000	1,490,000	127,624	1,276,239	Capitalization of retained earnings and employee bonuses (Note 1)	0	None
05/2006	10	149,000	1,490,000	128,508	1,285,079	Conversion of employee stock options into new shares issuance (Note 2)	0	None
08/2006	10	149,000	1,490,000	142,587	1,425,867	Capitalization of retained earnings and employee bonuses (Note 3)	0	None
01/2007	10	149,000	1,490,000	142,597	1,425,967	Conversion of employee stock options into new shares issuance (Note 4)	0	None
05/2007	10	200,000	2,000,000	142,951	1,429,507	Conversion of employee stock options into new shares issuance (Note 5)	0	None
10/2007	10	200,000	2,000,000	153,573	1,535,727	Cash capital increase and conversion of employee stock options into new shares issuance (Note 6)	0	None
12/2007	10	200,000	2,000,000	153,578	1,535,777	Conversion of employee stock options into new shares issuance (Note 7)	0	None
05/2008	10	200,000	2,000,000	153,582	1,535,817	Conversion of employee stock options into new shares issuance (Note 8)	0	None
07/2008	10	200,000	2,000,000	153,731	1,537,307	Conversion of employee stock options into new shares issuance (Note 9)	0	None
08/2008	10	200,000	2,000,000	155,452	1,554,520	Conversion of employee stock options into new shares issuance (Note 10)	0	None
12/2009	10	200,000	2,000,000	175,452	1,754,520	Cash capital increase (Note 11)	0	None
05/2010	10	200,000	2,000,000	176,701	1,767,010	Conversion of employee stock options into new shares issuance (Note 12)	0	None
08/2010	10	200,000	2,000,000	181,468	1,814,677	Capitalization of retained earnings and conversion of employee stock options into new shares issuance (Note 13)	0	None
09/2010	10	250,000	2,500,000	201,468	2,014,677	Cash capital increase (Note 14)	0	None
12/2017	10	250,000	2,500,000	150,415	1,504,145	Reduce capital to make up losses and private placement of common stock for cash increase (Note 15)	0	None
08/2019	10	350,000	3,500,000	150,415	1,504,145	Increase in Authorized Capital (Note 16)	0	None

Note 1: Approved by letter No. 09401196710 issued on October 12, 2005.

Note 2: Approved by letter No. 09501080380 issued on May 1, 2006.

Note 3: Approved by letter No. 09501184250 issued on August 22, 2006.

Note 4: Approved by letter No. 09601009740 issued on January 18, 2007.

Note 5: Approved by letter No. 09601108660 issued on May 18, 2007.

Note 6: Approved by letter No. 09601249090 issued on October 12, 2007.

Note 7: Approved by letter No. 09601319330 issued on December 31, 2007.

Note 8: Approved by letter No. 09701113240 issued on May 19, 2008.

Note 9: Approved by letter No. 09701185470 issued on July 24, 2008.

Note 10: Approved by letter No. 09701220210 issued on August 29, 2008.

Note 11: Approved by letter No. 10601165660 issued on December 29, 2009.

Note 12: Approved by letter No. 09901096420 issued on May 14, 2010.

Note 13: Approved by letter No. 09901181170 issued on August 10, 2010.

Note 14: Approved by letter No. 09901199700 issued on September 2, 2010.

Note 15: Approved by letter No. 10601165660 issued on December 8, 2017.

Note 16: Approved by letter No. 10801092230 issued on August 7, 2019.

B. Type of stock

04/22/2025; Unit: Share

Type of stock	Authorized capital stock				
	stock outstanding			Unissued Stock	Total
	Listed stock	Private placement securities	Total		
Common Stock	145,414,536	5,000,000	150,414,536	199,585,464	350,000,000

C. Information regarding the comprehensive declaration system: Not applicable.

(2) List of Major Shareholders

Shareholders with a shareholding of 5% or more or the top ten shareholders by shareholding, including their names, shareholding amounts, and percentage of shareholding:

Date: 04/22/2025; Unit: Share

Major Shareholders	Share	Shareholdings	%
Cheng, Chieh		9,290,500	6.17%
Cheng, Hsiang		8,737,838	5.80%
Chou, Chung-Hsien		2,609,000	1.74%
Kuo, Yu-Chin		1,604,000	1.07%
Lin, Hui-Fen		1,470,732	0.98%
Hsu, Jen-Chung		1,408,000	0.94%
Hou, Hsien-Chung		1,150,000	0.77%
Lee, Kan-Jung		1,144,661	0.76%
Chang, Ching-Hui		1,010,486	0.67%
Li, Hsiu-Chin		645,000	0.43%

Note: The Company's stock transfer was suspended from April 22, 2025 to June 20, 2025.

(3) Dividend Policy and Implementation Status

A. Dividend Policy: The dividend distribution policy of the Company is stipulated as follows in its articles of association: The annual net profit after tax of the Company shall be distributed in the following order:

- (1) To make good the deficit (or loss)
- (2) Set aside ten percent of such profits as a legal reserve. However, when the legal reserve amounts to the authorized capital, this shall not apply.
- (3) In accordance with laws and regulations, set aside or reverse special surplus reserves. For the provision of special surplus reserves, if it is the net decrease in other equity reduction items accumulated in previous periods and the net increase in fair value of investment properties, the same amount should be provided from the undistributed earnings of the previous period as special surplus reserves. If the undistributed earnings of the previous period are insufficient, the remaining amount shall be provided from the current year's after-tax net profit and other items outside the current year's after-tax net profit, and added to the number of undistributed earnings for the current period.

The remaining amount may be allocated as the distributable surplus, which shall be proposed by the Board of Directors and approved by the Shareholders' Meeting when distributed through the issuance of new shares.

According to Article 240 of the Company Act, the Company authorizes the Board of Directors to distribute dividends or legal reserve and capital surplus in cash which Article 240 of the Company Act stipulates, either in whole or in part, with a decision made by at least two-thirds of the directors in attendance and a majority of the attending directors. The resolution should be reported to the shareholders' meeting.

Considering the future funding needs, long-term financial planning, and shareholders' demand for cash inflows, the Company will allocate no less than 10% of the distributable profits to distribute shareholder dividends each year. However, if the accumulated distributable profits are less than 5% of the paid-in capital, no distribution is required. When distributing shareholder dividends, cash or stock may be used, with the cash dividend not less than 10% of the total dividend amount. If the cash dividend per share is less than one NT dollar, the entire cash dividend may be changed to be distributed as stock dividends.

B. Proposed Distribution of Dividend: The Board of Directors has decided not to distribute any remuneration to directors and employees for the fiscal year 2024, but it has not yet been resolved by the shareholders' meeting.

C. Explain if a material change in dividend policy is expected: None.

(4) Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders' meeting: The proposed resolution at this shareholders' meeting is not to distribute dividends, which have no impact on the Company's business performance.

(5) Compensation of Employees and Directors

A. Information Relating to Compensation of Employees, Directors and Supervisors in the Company's Articles

Article 28 of the Company's Articles of Incorporation stipulates that:

If the Company generates profits in a fiscal year, after setting aside the amount required for making up the accumulated deficit, the Company shall allocate 5% to 10% of the remaining balance for employee compensation and no more than 3% for director compensation. The allocation shall be determined by the Board of Directors and reported to the shareholders' meeting. The employee compensation mentioned above may be issued in the form of stocks or cash and may include employees of subsidiary companies who meet certain conditions. The relevant measures shall be authorized by the Board of Directors.

B. The basis for estimating the amount of employee, director, and supervisor profit-sharing compensation this year: The Board of Directors has decided not to distribute any remuneration to directors and employees for the fiscal year 2024.

C. Distribution of Compensation of Employees, Directors and Supervisors for 2024 Approved in the Board of Directors Meeting: The Board of Directors has decided not to distribute any remuneration to directors and employees for the fiscal year 2024.

D. The actual distribution of employee, director, and supervisor profit-sharing compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee, director, or supervisor profit-sharing compensation, additionally the discrepancy, cause, and how it is treated: None.

(6) Status of Share Buyback Program: None.

2. Bonds: None.

3. Issuance of Preferred Shares: None.

4. Global Depository Receipts: None.

5. Issuance of Employee Stock Options: None.

6. Issuance of New Restricted Employee Shares: None.

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

8. Financing Plans and Implementation: None.

IV. Operational Highlights

1. Business Scope

(1) Business Scope

A. The main business of the Company:

The main business of the Company is the production and sale of power supplies, computer case, and electronic components.

B. Current products and business proportion:

Unit: Thousand (NTD)

Product	Sales revenue for the year 2024	Business proportion (%)
Power Supply	247,182	88.82%
Computer Case	28,520	10.25%
Other	2,591	0.93%
Total	278,293	100.00%

C. New products development:

Product Category	New Products under Development
Power Supply	<p>The Company has developed and manufactured a wide range of self-owned eSports power supply units (PSUs) under the Apexgaming brand. These include the GTR Plus series with 80 PLUS Platinum certification at 1200W and 1000W, the GTR V2 series with 80 PLUS Platinum at 850W, 750W, and 650W, and the GTI series with 80 PLUS Gold at 850W, 750W, and 650W. These products are designed to meet diverse performance needs, whether for gamers, content creators, or high-performance computing users—offering a stable and highly efficient power supply experience. Key competitive advantages include:</p> <p>Compact Design and Lean Manufacturing: The products feature a more compact standard ATX form factor, offering smaller dimensions than the previous generation, which saves valuable internal case space and ensures compatibility with a wide range of builds, from high-end gaming PCs to workstations. At the same time, streamlined manufacturing processes have reduced raw material costs by 15%, enabling high cost-performance without compromising on quality.</p> <p>High-Efficiency Architecture and Stable Output: Built with advanced half-bridge LLC resonant topology and DC-to-DC design, these PSUs deliver stable power conversion and reduced energy loss, significantly boosting power efficiency. The fan supports intelligent start-stop functionality, adjusting automatically based on load to minimize noise and extend lifespan. The series is fully compliant with Intel ATX 3.1 and PCIe 5.1 specifications, ensuring optimal compatibility with the latest hardware and delivering reliable power support.</p> <p>Optimized Cooling and Precise Layout: Internal components are arranged with precision, resulting in a clean and efficient layout that greatly enhances thermal performance. The advanced cooling design reduces operational temperatures, prolongs component lifespan, and prevents instability caused by overheating. The fan remains quiet under low load, ensuring a silent system operation.</p> <p>Innovative Craftsmanship and High Integration: The use of high-efficiency planar transformers and an integrated resonant-main transformer design increases component integration on the PCBA, reducing part count and simplifying the manufacturing process. This approach significantly lowers production costs and improves efficiency, while the innovative design also minimizes electromagnetic interference (EMI), ensuring stable power output and sustained, reliable system performance.</p> <p>In response to the global trends of the AI era and ESG-driven sustainable development, the Company's R&D team has developed the industry's first AI-compatible power supply unit, which has been granted a utility model patent by the Taiwan Intellectual Property Office, Ministry of Economic Affairs.</p>
Computer Case	<ul style="list-style-type: none"> • Design and develop computer case for our gaming brand, Apexgaming. • OEM/ODM server case products. • OEM/ODM slim case and ATX tower computer case.
Cooling fans and liquid cooling systems	<ul style="list-style-type: none"> • Design and develop high-volume, low-noise cooling fans, and all-in-one water-cooling radiators for our gaming brand, Apexgaming.
Charging cables for RVs and yachts	<ul style="list-style-type: none"> • Design and develop our own brand Apex Sports power cords, including high-amperage power cords for use in RVs, motorhomes, generators, and shore power systems for yachts.
Photocatalyst air purifier	<ul style="list-style-type: none"> • Design and develop our brand, Hypure air purifiers, including a full range of desktop, portable, car-use, and commercial air purifier products. • Utilizing the latest nano photocatalyst patented technology, our brand Apexgaming incorporates it into our power supplies, PC case, cooling fans, and other products, to create a healthy gaming environment where the air is purified.

(2) Industry Overview

A. Current Status and Development of the Industry

(1) Power Supplies for AI servers

Since 2024 marks the inaugural year of the AI PC era, and with the world facing increasing challenges related to ESG and sustainable development, the R&D team has taken a more proactive approach in planning and developing AI POWER specifications.

With the rapid development and widespread adoption of AI technology, the server market has undergone significant changes in recent years. The emergence of intelligent chatbots, such as ChatGPT, has driven the demand for powerful AI servers. These servers are specially designed and optimized, often equipped with one or more high-performance GPUs or NVIDIA AI accelerator cards. AI servers excel at processing large volumes of data and serve as essential infrastructure for storing vast amounts of data for businesses.

The power supply unit (PSU) inside AI servers plays a crucial role in their performance. This is because the hardware components within AI servers require significantly more power than conventional servers. Therefore, compared to standard servers, the power supply units for AI servers must provide higher power output to drive these high-performance components, while also offering sufficient redundancy to handle load fluctuations.

Considering these requirements, the Company's research and development team will continue to develop and introduce updated specifications for power supplies tailored specifically for AI servers. These power supplies will feature larger output wattages, higher efficiency conversion rates, enhanced safety protection mechanisms, and will be designed to withstand the rigorous operating environments of AI servers.

In addition, the Company has established a partnership with professional power cord manufacturer to expand the product line for RVs and yachts, targeting the vast consumer markets of North America and China. Furthermore, due to the impact of COVID-19, maintaining social distance and avoiding crowded enclosed spaces has indirectly driven up the demand for RVs. The Company views this challenge as an opportunity and remains optimistic about the potential of this market.

(2) Computer Case

In the computer case industry, related technologies have become mature and highly competitive. In addition to the Company's original metal processing process, the Company has also collaborated with multiple manufacturers in recent years to achieve horizontal integration, integrating applications of different materials and developing a more diversified range of related products.

(3) Gaming Computer Industry

With the flourishing development of smartphones and mobile communication devices, the purchasing behavior of PCs has changed, resulting in a sluggish PC market in recent years. However, the sales of gaming PCs have grown against the trend. The gaming industry not only drives sales in the post-PC era but also drives upstream and downstream peripheral industries, including computer case and power products.

Gaming PCs differ from ordinary computers, with gamers demanding high-quality hardware, greater flexibility, and personalization. The Company has complete design and production capabilities. In addition to collaborating with mainstream gaming brand manufacturers, the Company also launches its own brand, Apexgaming, to provide gamers with more diversified options to meet their needs.

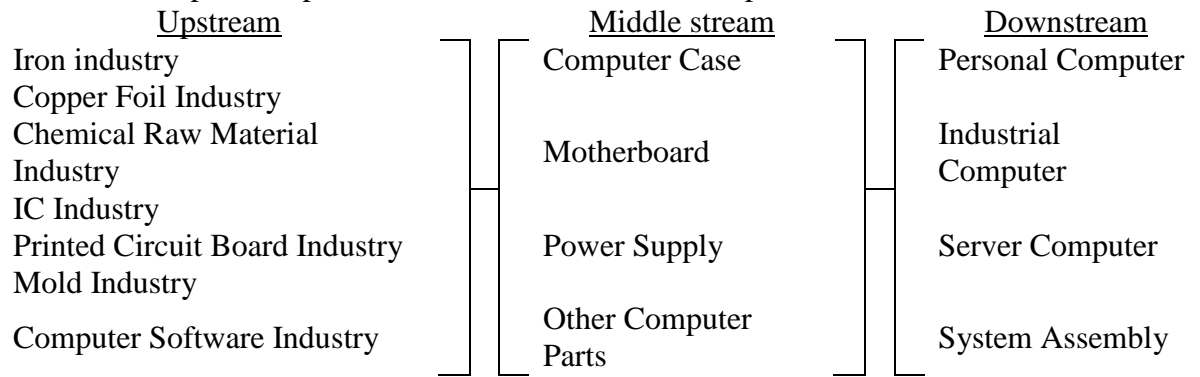
Furthermore, with the increasing awareness of health consciousness among the public, prolonged computer use for work or gaming can lead to many adverse health effects. Therefore, in addition to the gaming computer case and power supplies mentioned above, we have also simultaneously launched a series of products, including gaming chairs, electric height-adjustable desks, anti-electromagnetic radiation clothing, blue-light-blocking glasses, gaming wrist guards, nano photocatalytic power supply/fan modules, and desktop air purifiers. We hope to provide computer users with a comprehensive protection solution.

(4) Photocatalytic Air Purifier

Due to the global outbreak of COVID-19 in recent years, many people in Taiwan have purchased air purifiers to improve indoor air quality. Although various brands of air purifiers on the market claim to improve air quality and reduce the risk of viruses and bacteria, their solutions still rely primarily on dust-collecting filters, which require the replacement of consumables and are also not environmentally friendly. To replace air purifiers with dust-collecting filters, the Company is actively promoting sustainable development by improving energy efficiency and using environmentally friendly recycled materials. The Company has developed a nano photocatalytic air purifier. Considering patent and product planning, the product lines include a series of air purifier products, from portable to household to commercial use.

To provide customers with confidence and assurance, the Company's products have been awarded the "Air Purifier Gold Seal" by the Taiwan Air Quality and Health Safety Association. The certification mark is evaluated and awarded by industry experts based on criteria such as research and development, purification efficiency, quality assurance, and safety control. Only those who perform well in these evaluation categories can obtain this mark.

B. Relationship with Up-, Middle- and Downstream Companies



C. Product Trends and Competition

(1) Product Trends

A. Power Supply

With continuous advancements in technology, the PC power supply market is expected to undergo several significant transformations in 2025, centered around efficiency, intelligence, sustainability, and user experience.

1. Higher Energy Efficiency Standards: The 80 PLUS certification has become a baseline for PSU design, and new, more efficient standards are anticipated. As global environmental awareness increases, energy saving and carbon reduction will become core objectives in PSU development.
2. Widespread Adoption of ATX 3.1 Standard: Intel's ATX 3.1 standard is expected to be widely adopted in 2025. Support for PCIe 5.1 and the 16-pin PCIe connector will become more mature and stable, better meeting the high-power demands of next-generation GPUs.
3. Smarter Power Management Systems: AI and machine learning technologies will be integrated into PSUs, enabling more efficient power regulation and load distribution. This will reduce energy waste while enhancing system stability.
4. Advanced Digital Control: AI-powered digital power management will become mainstream, allowing users to monitor power output, temperature, and fan speed via dedicated AI software. The system can even automatically adjust output parameters based on real-time load conditions, offering more refined and intelligent power control.
5. Miniaturization and High-Power Density: With advancements in power conversion efficiency and thermal technologies, PSUs will evolve toward smaller form factors while delivering higher power density. Power supplies over 1000W may gradually become standard for high-end PC builds.
6. Sustainable Design and Eco-Friendly Materials: Manufacturers will increasingly adopt recyclable materials and non-toxic substances in PSU production. Repairable and modular designs will be emphasized to reduce electronic waste and enhance product lifecycle sustainability.
7. Enhanced Safety and System Stability: PSUs will be equipped with more advanced protection mechanisms, including over-voltage, over-current, and short-circuit protection. These systems will also feature faster fault detection to prevent damage to components and ensure overall reliability.

In the future, PC power supplies will no longer be merely power delivery devices, but rather intelligent, energy-efficient, and highly integrated core components of the system. With ongoing technological advancements, PSUs will reach new heights in efficiency, stability, and environmental sustainability, meeting the dual demands of high performance and sustainability in the evolving PC market.

B. Case and gaming peripherals

In addition to computer cases and gaming peripherals, the Company has developed our own brand and will focus more on shaping the concept of "gaming health" to differentiate ourselves from other brands in the future. The Company already launched a product, an electric height-adjustable desk, which can prevent lower back pain caused by long periods of sitting.

C. Photocatalytic air purifier

In the post-pandemic era, people in Taiwan have become more aware of the importance of air purification and how to reduce the risk of being invaded by viruses again. Solytech has developed several products, including desktop, portable, and automotive air purifiers, based on several inventions and new patents. In addition, the Company has received Taiwan's first-ever photocatalytic air purifier certification, providing consumers with a reliable purchasing direction. In the future, the Company will continue to move towards the development of mobile and commercial air purifiers.

(2) Competitive Situation

In recent years, Taiwan's PC industry has moved to China, and the low technological threshold of this industry has caused Chinese PC manufacturers to become the main competitors of Taiwan's PC industry, leading to intense competition and a decrease in profits. However, due to relatively high specifications and quality in the high-end power supply market, there are still limited competitors in the market.

In response to industry competition, the same trade is focus on target low-margin production lines. The Company will focus more on high-margin products and the global market layout of our self-owned brand, Apexgaming.

(3) Overview of Research and development

A. R&D expenditures for the latest fiscal year and up to the date of printing of this annual report

Unit: NT\$ thousand dollars

Year	2024	2025/1 to 2025/3
R&D Expenditures	8,097	1,881

B. Successfully developed technology or product

Product category	Successfully developed technology or product
Power Supply	<ul style="list-style-type: none"> • Successfully developed the GTR Plus series with 80 PLUS Platinum certification at 1200W and 1000W. • Successfully developed the GTR V2 series with 80 PLUS Platinum at 850W, 750W, and 650W. • Successfully developed the GTI series with 80 PLUS Gold at 850W, 750W, and 650W. • Compared to previous products, the newly developed series offers the following competitive advantages: compliance with the latest Intel ATX 3.1 and PCIe 5.1 design specifications; smaller PSU dimensions; reduced raw material costs; clean and efficient internal component layout for improved thermal performance; high integration of components on the PCBA with fewer parts; and a streamlined manufacturing process that simplifies production steps, reduces manufacturing labor costs, and enhances overall production efficiency.
Computer Case	<ul style="list-style-type: none"> • Developed several OEM mid- to high-level gaming case • Developed several slim case • Developed and applied special spray coatings • Developed several new designs of panels • Several server case

Electric adjustable desk	<ul style="list-style-type: none"> • Electric adjustable desk • Electric adjustable desk converter • Multiple monitor mount
Power Cord	<ul style="list-style-type: none"> • RV Use Extension Cord • Shore Power Use Extension Cord
Photocatalyst Air Purifier	<ul style="list-style-type: none"> • High-efficiency ATX PC power supplies which were awarded bronze and gold prizes with air purification function. • Cooling fan with air purification function • Computer case with air purification function • Desktop air purifier • Car-use air purifier • Portable air purifier • Wall-mounted smart nanometer photocatalyst air purifier • Air purifier that can be added to VRV and indoor air conditioning equipment • Smart mobile air purifier

(4) Long-term and Short-term Development

A. Short-term Development

- (1) Actively developing the Company's own gaming brand Apexgaming.
- (2) Actively developing the Company's own air purifier brand HYPURE.
- (3) Provide customers and the market with complete products and services and increase the market share.
- (4) Master new product specifications and architectures to ensure the applicability of product specifications.
- (5) Strengthen product integration, combine existing channels as the main sales channels, and perform bundled sales to extend the product sales period.

B. Long-term Development

- (1) Continuously improving the manufacturing process, enhancing production capability, upgrading production technology and product quality, and reducing costs to enhance the Company's competitiveness.
- (2) Enhance product design capability and reduce mold development time.
- (3) Continuously and actively develop important e-commerce platforms and major sales channels to increase market share.
- (4) Persistently develop new products, devoting to product diversity and expanding the customer base.

2. Market and Sales Overview

A. Market Analysis

1. Sales regions of major products

Unit: NT\$ thousand dollars

Region Year	Domestic sales	Export					Total
		Asia			Americas	Others	
		Taiwan	China	H.K.	U.S.	Others	
2023	20,134	3,661	149,484	0	69,111	14,252	256,642
2024	28,190	698	202,235	0	35,960	11,210	278,293

2. Market Share, Future Supply and Demand of the Market, and Growth Potential of the Company's Main Products

In addition to gaming peripherals, the Company's future product development direction will also combine our manufacturing advantages with external design to increase the production of power cords for RVs, ships, and other related industries, as well as a series of products such as nanometer photocatalyst air purifiers. The Company maintains our existing OEM/ODM markets and actively develops our brand, Apexgaming, to reduce uncertainty from brand customers. Currently, the Company's products are being actively promoted and sold in global markets.

To further develop the future potential of our nanometer photocatalyst air purifier product line, the Company has registered our brand, "HYPURE," and is actively investing in the development of products that promote healthy air quality.

3. Competitive Niches, Favorable and Unfavorable Factors Affecting the Company's Development, and Countermeasures to Deal with Such Factors

(1) Competitive Niches:

Power Supply	<ul style="list-style-type: none"> · The Company's robust R&D team stays abreast of the latest power supply design standards and technologies, continually pushing the boundaries of existing technology to create the most competitive products. The Company also provides customers with comprehensive design support and application technologies for overall product integration. · With a team of professional electromagnetic compatibility (EMC) and safety testing personnel, as well as dedicated laboratories, the Company conducts testing during the product development phase, ensuring compliance with regulations and effectively reducing product testing, shipping time, frequency, and costs. · Maintains excellent relationships with key suppliers, ensuring a stable supply chain with high-quality products, manageable lead times, and competitive pricing. · Through rigorous quality control and assurance measures, the Company continuously improves product design to enhance customer satisfaction.
Computer Case	<ul style="list-style-type: none"> · Complete Product line: The Company has a complete range of desktop computer cases in various sizes and types and is also a professional manufacturer of power supplies that enables us to meet customers' needs for one-stop shopping, contributing to market expansion and revenue growth. · Stable Quality: The Company's main customers are mainly from the European and American markets which have high requirements for quality. And the customers are satisfied with our products, regardless of quality, delivery time, price, and development capabilities. Therefore, the Company has established a long-term and stable business relationship with the customers, which has helped us maintain steady growth. · Strong R&D department: The Company's R&D team members have many years of experience in product development, with capabilities in mold design, production and manufacturing, and appearance modeling. They can complete various new products in a short time.
Gaming Computer (Own Brand Business)	<ul style="list-style-type: none"> · With the advantages of design and manufacturing, the Company has established relevant business channels worldwide over the past 20 years. In recent years, due to the rise of e-commerce, the sales channels for information products have gradually shifted to e-commerce platforms, which presents a good opportunity for new brands. · For gamers, computer case and power supply products have already become standardized. Generally, gamers do not have a high dependence on existing brands. The Company has the advantages of production and cost, and aims to provide "self-production and self-sales to achieve the highest cost-performance ratio". By directly facing the distribution channels and consumers and cooperating with relevant marketing strategies, this approach has led to higher achievement in sales channels for our company.
Photocatalytic Air Purifier	<ul style="list-style-type: none"> · The Company's products have passed inspections by world-renowned certification organizations such as SGS and TUV. The Company is also the only company in Taiwan to receive certification from the Taiwan Photocatalyst Association for our photocatalyst products that meet the EU IEC/EN62471 photobiological safety standards. The Company has developed a series of high-efficiency photocatalysts air purifiers with ultraviolet UVA light, which is harmless to human eyes and skin. These air purifiers can effectively eliminate bacteria and odors. · The Company has been awarded a total of 3 invention patents and 8 utility model patents, and these have been actively promoted by government agencies.

(2) Favorable Factors:

- The Company continues to invest in the research of application support technology for our products, training professional talents, and investing in equipment to provide integrated technology for power supply mainframes and peripheral accessories.
- With the ability to design and develop key components, the Company ensures a stable source of future profits.
- The Company has established stable supply relationships with the major raw material suppliers with good quality, controlled delivery times, and prices that can be managed based on order batches. The strictly controls the delivery times of raw materials to reduce inventory pressure.
- Worldwide sales channels enable the Company to actively collect market trends, design and develop products according to customer needs, and maintain long-term good cooperative relationships with our customers.

(3) Unfavorable Factors:

In recent years, due to rising raw material costs, labor shortages, and increased wage costs, it has become more difficult to cultivate R&D and technical personnel, leading to relatively higher operating costs. The prevalence of low-priced computers has also led to price compression in computer peripherals, affecting profitability. Additionally, the ongoing US-China trade war has had a significant impact.

(4) Countermeasures to Deal with Such Factors:

A. Power Supply

- To ensure product quality, it is important to verify and improve during the design phase. Therefore, the Company has established rigorous and effective verification procedures.
- To effectively ensure product life and extend product value, in addition to product management, important technical documents such as product design, changes, and processes can be effectively controlled to reduce development and design costs and enhance product quality advantages.
- The Company values customer satisfaction and the extension of international competitiveness. The Company cooperates with suppliers, customers, and various departments to help the Company complete the global supply chain layout from a global perspective.
- The Company regards customers as partners, jointly participates in product development and design, improves technical research and development capabilities, and reduces production costs.
- In response to the arrival of the AI era globally, the R&D team has developed the industry's first AI-compatible power supply unit, which has received utility model patent certification from the Taiwan Intellectual Property Office, Ministry of Economic Affairs.
 - a. AI Power Supply Device (patent number M660693)

B. Computer Case

- The Company has outsourced the chassis case business to effectively control production costs and shift our focus to design and business development.
- Re-planned the manufacturing base of chassis cases, and allocated assets effectively.

C. Power Cord for RV and Marine

- Due to the current global COVID-19 pandemic, people around the world have changed their lifestyles, reduced gatherings and placing more emphasis on individual leisure travel, which has driven demand for RVs and camping trailers.

D. Nano-photocatalyst Power Supply/Fan Module and Desktop Air Purifier

- Due to the global attention to epidemic prevention policies since the outbreak of COVID-19, people are avoiding crowded public places. Therefore, the Company's R&D team has developed a series of products using nano photocatalytic technology, which has received multiple new patent certifications from the Taiwan Intellectual Property Office of the Ministry of Economic Affairs.

Patents:

- a. Cooling device which purifies the air (patent number I742797)
- b. Host equipment that purifies the air (patent number I779330)
- c. Composite structure air purifier (patent number I790064)

New patents:

- d. Cooling device which purifies the air (patent number M603770)
- e. Host equipment that purifies the air (patent number M608796)
- f. Composite structure air purifier (patent number M625313)
- g. Composite photocatalyst filter screen and its sterilization device (patent number M618264)
- h. Photocatalyst air purification device for car air conditioner (patent number M619500)
- i. Computer power supply with photocatalytic air purification effect (patent number M604911)
- j. Air conditioner with air purification function (patent number M631545)
- k. Speaker with air purification function (patent number M614439)

E. The Nano Photocatalyst Power Supply Unit was granted a China Invention Patent in August 2024.

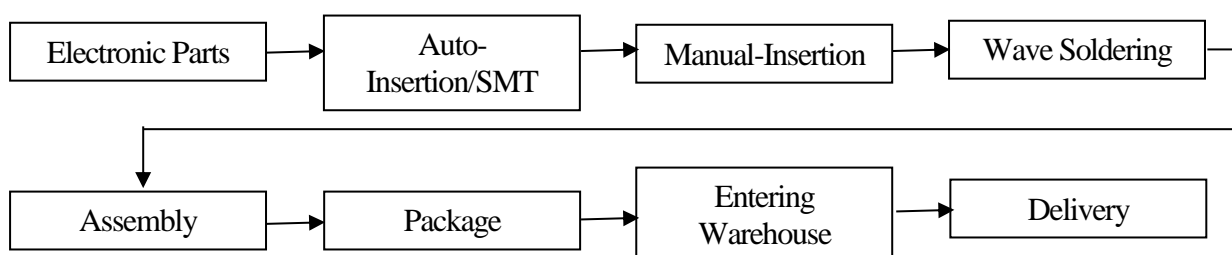
- a. Computer Power Supply with Photocatalytic Air Purification Function (patent certificate number 7250629)

(2) Main products applications and manufacturing process

1. Main products applications

Main Product	Application
Power Supply	Provide stable voltage to drive the operation of electronic equipment.
Computer Case	Necessary component for computer assembly.
Photocatalytic Air Purifier	Improves air quality, reduces the risk of viruses and bacteria in the environment, and efficiently removes odors.

2. The production process of the power supply is as follows:



(3) Supply situation of major raw materials:

Product	Major raw materials	Main supplier
Power supply	Electronic wire and transformer	Mancon Electronic(Dong Guan) Co., Ltd., Guangxi Yada Technology Co., Ltd., City Hanma (Dong guan) Electronic Co.,LTD

(4) List of major customers for purchases and sales

The names of customers who accounted for over 10% of the total sales (purchases) amount in any of the past two years, along with the corresponding sales (purchases) amount and percentage, and an explanation of any changes in their levels of business:

1. Information of major suppliers for the past two years:

Unit: NT\$ thousand dollars

Item	Name	2023			2024				2025/1 to 2025/3 (Note 2)			
		Amount	Percentage of net purchases for the entire year (%)	Relationship with the issuer	Name	Amount	Percentage of net purchases for the entire year (%)	Relationship with the issuer	Name	Amount	Percentage of net purchases accounted for until the end of the previous quarter of the current year (%)	Relationship with the issuer
1	Company V	25,101	13.86	None	Others	192,167	100.00	None	Company AD	3,365	11.40	None
2	Company Y	22,074	12.18	None					Company Y	3,174	10.75	None
	Others	133,991	73.96	None					Others	22,975	77.85	None
Total	Net Purchase	181,166	100.00		Net Purchase	192,167	100.00		Net Purchase	29,514	100.00	

Note 1: The names of suppliers whose purchases account for more than 10% of the total purchases in the past two years, along with their purchase amounts and percentages, shall be listed. However, if the contract stipulates that the names of suppliers cannot be disclosed, or if the trading party is an individual who is not a related party, a code may be used instead.

Note 2: Before the date of the annual report, financial data that has been audited or reviewed by a certified public accountant for companies whose shares have been listed or traded in securities firms shall be disclosed.

Explanation of the main reasons for changes in major suppliers:

In recent years, the eSports market in mainland China has experienced rapid growth, further driving the expansion of related peripheral industries. In 2024, the Company fully committed to the production and sales of high-end power supply units. As eSports PSU specifications continue to evolve and innovate, the resulting changes have affected key component suppliers. Adjustments in specifications and production scheduling led to a more diversified distribution of procurement, and no single supplier accounted for more than 10% of total purchases during the year.

(1) Company V is a PC case manufacturer. In recent years, the global PC market has continued to decline, resulting in a significant contraction in the sales volume of PC cases and increased price competition. Consequently, demand for PC case orders dropped sharply.

(2) Company Y is a supplier of electronic cables required for high-end PSU production. In 2023, the Company actively developed, manufactured, and sold its Gold series high-end PSUs, driving a surge in demand from this supplier. However, in 2024, in response to ongoing specification changes and innovations in the eSports market, the Company introduced new suppliers of electronic cable assemblies for additional specifications. As a result, this supplier's annual transaction value declined.

2. Major Sales Customers in the Past Two Years:

Unit: NT\$ thousand dollars

2023					2024				2025/1 to 2025/3 (Note 2)			
Item	Name	Amount	Percentage of net purchases for the entire year (%)	Relationship with the issuer	Name	Amount	Percentage of net purchases for the entire year (%)	Relationship with the issuer	Name	Amount	Percentage of net purchases accounted for until the end of the previous quarter of the current year (%)	Relationship with the issuer
1	Company O	68,561	26.71	None	Company O	30,637	11.01	None	Company O	8,211	17.43	None
2	Company X	30,897	12.04	None	Others	247,656	88.99	None	Others	38,904	82.57	None
3	Others	157,184	61.25	None								
Total	Net sales revenue	256,642	100.00		Net Purchase	278,293	100.00		Net sales revenue	47,115	100.00	-

Note 1: The names of customers with sales amounts exceeding 10% in the past two years, along with their sales amounts and proportions, shall be listed. However, if the contract stipulates that the names of suppliers cannot be disclosed, or if the trading party is an individual who is not a related party, a code may be used instead.

Note 2: Before the date of the annual report, financial data that has been audited or reviewed by a certified public accountant for companies whose shares have been listed or traded in securities firms shall be disclosed.

Explanation of the reasons for the major changes in sales customers:

(1) Company O is the Company's distributor for the Americas market, primarily selling power supply units and computer cases. In recent years, the PC-related market has experienced rapid changes. Combined with the impact of the COVID-19 pandemic and the U.S.-China trade war, the global economy has undergone a significant downturn. Additionally, the unprecedented surge in ocean freight costs indirectly drove up raw material prices, resulting in lower profit margins for clients and subsequently reduced order demand from our Company.

In 2023, the customer secured a series of short-term government or institutional project tenders, with all related orders fulfilled within that year. However, in 2024, the customer did not receive any similar tenders, leading to a significant decline in revenue.

(2) Company X, a well-known e-commerce platform in mainland China, specializes in selling high-end power supplies. Following the post-pandemic recovery of the gaming product market in 2023, there was an increase in demand for high-end power supplies, leading to growth in sales for Company X. In 2024, the eSports market in mainland China experienced rapid growth, leading to a significant increase in demand for eSports power supply orders. Meanwhile, the continuous rise of livestream e-commerce companies expanded their market influence through online promotions, indirectly affecting the sales performance of certain clients. As a result, Company X experienced a slight decline in revenue during the year.

3. Employee information of recent two years and as of the date of printing of the annual report:

Year		2023	2024	For the fiscal year 2024 and up until 05/13/2025
Number of the employees	Sales and Marketing	10	10	9
	R&D	4	3	3
	Administration	17	17	17
	Total	31	30	29
Average Age		48.57	49.66	49.65
Average Length of Service		14.83	15.9	16.39
Educational distribution	PhD	0%	0%	0%
	Master	9.68%	10.00%	10.34%
	University	77.42%	76.67%	75.86%
	High School	6.45%	6.67%	6.9%
	Below high school	6.45%	6.67%	6.9%

4. Environmental Protection Expenditure

(1) Any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents: The Company has not received any penalties or fines from regulatory agencies due to environmental incidents for the fiscal year 2024 and up until the date of printing of this annual report.

(2) Countermeasures and potential expenditures: Not applicable.

5. Labor Relations

A. Employee Benefit Plans, Employee Education Program, Employee Training Program, Employee Retirement System and its Implementation, Labor Management Agreements and Measures for Preserving Employees' Rights and Interests

1. Employee Benefit Plans

The employee welfare measures of our company are provided through the operation of the Company and the Employee Welfare Committee, offering diverse employee benefits to enhance employee morale and promote labor-management harmony, aiming to create a good working environment for employees.

1.1 Benefits

- (a) Health Insurance
- (b) Annual Leave
- (c) Year-End Bonus
- (d) Employee Stock Purchase Program
- (e) Regular Health Examination

1.2 Welfare Committee

- (a) Group Insurance
- (b) Holiday Bonus
- (c) Birthday Allowance
- (d) Wedding and Funeral Subsidies
- (e) Department Banquet

2. Employee Education Program

The Company has established an "Employee Education and Training Policy" to create an employee training system and provide diverse learning channels to enhance employee competence and cultivate professional talents for the Company. In addition, the Company conducts regulatory training in compliance with relevant laws and regulations and encourages employees to obtain relevant certifications.

3. Employee Training Program

Employees recommended by their supervisors have the opportunity to participate in various external training courses, which allow them to broaden their horizons and enhance their skills.

4. Employee Retirement System and its Implementation

The Company and its domestic subsidiaries have established a retirement program with specified benefits following the provisions of the Labor Standards Act, applicable to the service years of all regular employees before the implementation of the "Labor Pension Act" on July 1, 2005, and the subsequent service years of employees who choose to continue to apply the Labor Standards Act.

For employees who meet the retirement requirements, the payment of retirement benefits is calculated based on the service years and the average salary for the six months before retirement. For service years within 15 years (inclusive), two units are given for every one year of service. And for service years exceeding 15 years, one unit is given for every one year of service, with a cumulative maximum of 45 units. The Company has fully set aside the required amount in an account supervised by the Labor Pension Supervisory Committee of the Bank of Taiwan.

5. Labor-Management Agreements and Measures for Preserving Employees Rights and Interests

The Company upholds the concept of "valuing senior employees and embracing new colleagues". Therefore, all employees are covered by labor insurance, national health insurance, and group insurance, and entitled to various insurance benefits. The Company has also established an employee welfare committee, which legally contributes to employees retirement pensions and establishes retirement policies for employees.

B. Any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to labor disputes

Due to the Company's proactive approach to providing employee benefits and safety measures, there have been no labor disputes in the past two years.

6. Cyber security management

A. Describe the framework for managing cyber security risks, cyber security policies, specific management plans, and the resources invested in cyber security management.

To ensure the security of the network, prevent disasters, data loss of computer files, and strengthen personal data protection, the Company has developed the following measures focusing on potential risks that may occur in business operations:

1. Threats of Computer Virus

Computer viruses may come from various sources, such as visited websites, malicious email attachments, removable storage media, or downloaded malicious programs. Therefore, the Company has established a multi-layered defense and detection system, with internationally recognized antivirus systems installed on all endpoints. The system is centrally monitored and controlled to reduce the risk of malicious program infections and attacks.

2. Cyber Attack

Internet hacker attacks have an impact on business operations. Therefore, the Company has established necessary protection measures such as segmenting important network segments and access control, firewalls, intrusion detection, and prevention mechanisms. In addition, the Company regularly conducts vulnerability scans and application protection for websites that provide external connectivity services and implements a security vulnerability reporting and patching mechanism to reduce the probability of vulnerabilities and attacks.

3. Interruption of Operation

The Company has implemented necessary same-site/off-site backups and restoration drills for important operational services and data. In the event of unavoidable damage or disruption to the main operating system or database, the Company can restore operations within the time limit stipulated by different services.

4. Security Management

Important data centers are equipped with access control management, authentication of login systems, password management, access authorization, and other mechanisms.

5. Cyber Security Resources

The Company has designated information security personnel responsible for cyber security by regularly inspecting security devices. The Company also prepares a yearly budget to update and maintain security devices such as firewalls, endpoint antivirus systems, and backup storage systems.

B. Losses incurred, potential impact, and response measures due to significant cyber security incidents for the current and previous fiscal year until the date of the annual report printing:

The Company has implemented necessary same-site/off-site backups and restoration drills for important operational services and data. In the event of unavoidable damage or disruption to the main operating system or database, the Company can restore operations within the time limit stipulated by different services.

7. Important Contracts

The contracting parties, major content, restrictive clauses, and the commencement dates and expiration dates of supply/distribution contracts, technical cooperation contracts, engineering/construction contracts, long-term loan contracts, and other contracts that would affect shareholders' equity, where said contracts were either still effective as of the date of publication of the annual report, or expired in the most recent fiscal year: None.

V. Analysis of Financial Condition, Operating Results, and Risk Factors

1. Financial Condition Analysis

Unit: NT\$ thousand dollars

Item \ Year	2023	2024	Discrepancy	
			Amount	%
Current assets	1,393,811	1,430,117	36,306	2.60
Investments accounted for using equity method	0	0	0	0
Property, plant, and equipment	43,844	43,089	(755)	(1.72)
Intangible assets and other assets	217,934	238,307	20,373	9.35
Total assets	1,655,589	1,711,513	55,924	3.38
Current liabilities	114,914	136,511	21,597	18.79
Non-current liabilities	37,964	41,002	3,038	8.00
Total liabilities	152,878	177,513	24,635	16.11
Share capital	1,504,145	1,504,145	0	0
Capital surplus	585,480	585,480	0	0
Retained earnings	(749,247)	(739,490)	9,757	1.30
Other equity	89,025	108,176	19,151	21.51
Non-controlling interests	73,308	75,689	2,381	3.25
Total equity	1,502,711	1,534,000	31,289	2.08
Explanation of Changes:				
1. Other equity: The increase is mainly attributable to translation differences arising from foreign currency borrowings and loans among subsidiaries within the Group, resulting in foreign operation financial statements and translation differences.				

2. Analysis of Financial Performance

(1) The main reasons for the significant changes in operating revenue, net profit, and pre-tax profit over the past two years are as follows:

Unit: NT\$ thousand dollars

Item	Year	2023	2024	Increase or decrease	
				Amount	%
Revenue		256,642	278,293	21,651	8.44
Operating cost		225,330	244,645	19,315	8.57
Gross profit		31,312	33,648	2,336	7.46
Operating expenses		116,196	112,850	(3,346)	(2.88)
Other non-operating income and expenses		0	0	0	0
Operating loss		(84,884)	(79,202)	5,682	6.69
Non-operating revenue and expenses		42,159	86,065	43,906	104.14
Pre-Tax Income		(42,725)	6,863	49,588	116.06
Income tax expense		448	388	(60)	(13.39)
Net loss for the year		(43,173)	6,475	49,648	115.00
Other comprehensive income		(39,627)	24,814	64,441	162.62
Comprehensive Income		(82,800)	31,289	114,089	137.79
The year's net loss belongs to the parent company's owner.		(43,160)	6,594	49,754	115.28
Net comprehensive income attributable to the parent company's owners for the current year.		(81,434)	28,908	110,342	135.50

Explanation of the changes:

1. Non-operating Income and Expenses: The change was primarily due to a decrease in the amount of losses recognized on financial assets measured at fair value through profit or loss in 2024 compared to 2023.
2. Profit Before Tax, Net Profit for the Year, and Net Profit Attributable to Owners of the Parent: The improvement was mainly attributable to an increase in net non-operating income and a reduction in operating expenses in 2024, which resulted in a turnaround from the pre-tax loss, net loss, and net loss attributable to owners of the parent in 2023 to a net profit in 2024.
3. Other comprehensive income: The increase is mainly attributable to translation differences arising from foreign currency borrowings and loans among subsidiaries within the Group, resulting in foreign operation financial statements and translation differences.
4. Total Comprehensive Income for the Year and Total Comprehensive Income Attributable to Owners of the Parent: As a result of the above factors, both the total comprehensive income for 2024 and the portion attributable to owners of the parent increased compared to 2023.

(2) Expected Sales Volume and Its Basis

The Company's main products are power supplies and computer case products. Due to the significant price differences among our various products, it is not appropriate to use sales volume as a measurement basis. However, the overall sales strategy focuses on continuously developing new products to meet the increasing demand for sales orders.

(3) Possible Impact on the Company's Future Financial and Business Operations and Response Plan

The reasons for the changes in the Company's major business operations (e.g. adjustments to selling prices or costs, changes in product mix and quantities, or replacement of old and new products) and if significant changes have occurred or are expected to occur in the Company's operating policies, market conditions, economic environment, or other internal or external factors, the facts and effects of these changes and their potential impact on the Company's future financial and business operations, as well as the Company's plans to respond to these changes:

In recent years, both Taiwan and China have increased their basic wages. This will have a significant impact on the demand for products exported to the United States, leading to a substantial increase in direct or indirect operating costs. The changes in industrial competition are significant. However, this also provides the Company with an opportunity to adjust its future business model and set positive performance growth as the Company's goal.

By integrating the Company's existing resources and external resources appropriately, the Company aims to reduce costs and expand its customer base, maintain existing customers, and establish a good cooperation model to win in the competitive industry. The Company will use information integration to respond to rapidly changing industry environments. Looking forward, the Company will devote itself to the development of new products and strengthen its management mechanisms to cope with environmental changes.

3. Analysis of Cash Flow

(1) Explanation of the changes in cash flow for the year 2024:

Unit: NT\$ Thousand				
Cash at the beginning of the period	Net cash flows from operating activities for the full year	Full-year cash inflow	The amount of cash surplus (deficit)	Expected remedial measures for cash shortfall
				Investment plan and financial plan
919,099	99,667	65,475	984,574	None

Analysis of Cash Flow Changes in Fiscal Year 2024:

1. Operating Activities: In 2024, the Company turned from a pre-tax loss to a pre-tax profit of NT\$6,863 thousand. After adding depreciation and amortization expenses of NT\$24,414 thousand, a decrease in accounts receivable, other receivables, and inventories totaling NT\$29,774 thousand, as well as an increase in interest income of NT\$45,825 thousand, the net cash inflow from operating activities amounted to NT\$99,667 thousand.
2. Investing Activities: Due to capital expenditures on property, plants, and equipment totaling NT\$28,912 thousand, the net cash outflow from investing activities amounted to NT\$35,038 thousand.
3. Financing Activities: Cash outflows from financing activities totaled NT\$9,788 thousand, mainly attributable to repayments of lease liabilities.
4. Effect of Exchange Rate Changes: The effect of exchange rate changes increased cash by NT\$10,634 thousand. Overall, the net increase in cash and cash equivalents for the period was NT\$65,475 thousand.

(2) The plan to improve insufficient liquidity: None.

(3) Analysis of future one-year cash flow liquidity:

Unit: NT\$ Thousand

Cash at the beginning of the period	Expected net cash flows from operating activities for the full year	Expected full-year cash inflow	Expected amount of cash surplus (deficit)	Expected remedial measures for cash shortfall
				Investment plan and financial plan
984,574	56,384	45,698	1,030,272	None

Note 1: Operating Activities: The Company expects to maintain positive net cash inflows from operating activities, primarily driven by operating performance and adjusted for depreciation and amortization.

Note 2: Investment Plans: There are no significant investment plans.

Note 3: Financing Plans: The Company has sufficient funds on hand, and there is a net inflow of cash from financing activities.

4. The impact of significant capital expenditures on financial operations in the recent year.

(1) Utilization and source of significant capital expenditures: None.

(2) Expected benefits from significant capital expenditures: None.

5. Recent investment policy, main reasons for profits or losses, improvement plans, and investment plans for the next year:

Unit: NT\$ Thousand

Item	Explanation	Amount	Policy	Main reasons for profit or loss	Improvement plan	Investment plan for the next year
	Ample Crown International Ltd.	40,732	Reinvestment in China	Following the restructuring of the operating model of the subsidiary in China, the entity remained profitable in 2024. In addition, interest income from overseas subsidiaries contributed to overall earnings.	Continuously strengthening the operational management of subsidiaries to optimize asset utilization.	None

6. Analysis of Risk Management

(1) Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures

1. Interest rate

As the interest rate for borrowing in TWD is relatively low and the Company has no outstanding bank loans, the impact of interest expenses and rate fluctuations on the Company's profit and loss is minimal. In the future, the Company's financial department will continue to monitor changes in interest rates and keep in touch with banks to ensure favorable and flexible borrowing rates to minimize the impact of interest rate changes.

2. Foreign exchange rates

The Company is export-oriented, therefore, changes in foreign exchange rate impact on the Company's revenue and profits. To avoid the risk of foreign exchange rates, the Company has designated a dedicated department to oversee and manage foreign exchange risk by closely monitoring market trends, seeking advice from banks, and assessing hedging tools as needed. The Company also utilizes strict controls and tracking measures to manage our foreign currency positions and risk to minimize the impact of foreign exchange rates on our profits.

3. Inflation

The Company will continue to devote itself to reducing various costs, closely monitoring the supply and demand and price changes of raw materials, adjusting inventory promptly, and striving to reduce operating costs to reduce the impact on profits and losses. The Company will also closely monitor future changes in inflation and adjust product prices and raw material inventory appropriately.

(2) Policies, 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. The Company has established "procedures for lending funds to others" and "procedures for endorsing guarantees" as the policy basis for lending funds to others and endorsement guarantee transactions. In 2024, the Company did not encounter significant events in lending funds to others or endorsing guarantees.
2. The Company has established a "Procedure for Acquisition or Disposition of Assets" as the policy basis for engaging in derivative trading. In the future, the finance department of the Company will continue to pay close attention to foreign exchange rate trends and timely operate foreign exchange hedging tools to reduce the impact of exchange rate fluctuations on the Company's profits.

(3) Future Development Plan and Expected Development Expenses to be Invested

To respond to market changes and competition and create product differentiation for competitive advantage, in the future, in addition to staying in the PC industry, the Company will actively explore non-PC related industries, such as electric height-adjustable desks, camping RVs and yacht power cords, nano photocatalytic air purification products, and so on. In this process of change, a high-level R&D team is required to cooperate with each other, and most products are outsourced to OEM. The Company will focus on the design and development of new products internally to provide better services to customers and create higher revenue-added value. The estimated R&D expenses for 2025 are NT\$15 million.

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

The Company consistently pays close attention to any changes in local and foreign policies and makes appropriate amendments to our systems when necessary. As of the date of publication of this annual report, changes in related laws have not had a significant impact on our operations.

(5) Effects of and Response to Changes in Technology (Including Cyber Security Risk) and the Industry Relating to Corporate Finance and Sales

With the advancement of technology and the widespread use of mobile devices, the Company has implemented internal and external network isolation for these devices. Direct access to the Company's internal network from mobile devices is prohibited and must be filtered through security equipment such as firewalls, intrusion detection, antivirus detection, and security authentication. Over the years, the Company has dedicated significant resources, including human resources, materials, and funding, to research and development. The Company has developed new process technologies and materials in response to industry trends to ensure the Company's competitive advantage in the market.

- (6)The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures
Since its inception, the Company has consistently maintained an ethical business philosophy and fulfilled its social responsibilities. The Company has always maintained a good corporate image. Therefore, there is no impact on the Company due to changes in corporate image.
- (7)Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans: None.
- (8)Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans: None.
- (9)Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration: None.
- (10)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%: None.
- (11)Effects of Risks Relating to and Response to the Changes in Management Rights: None.
- (12)Litigation or Non-Litigation Matters. If there has been any material impact upon shareholders' equity or prices for the Company's securities as a result of any litigation, non-litigious proceeding, or administrative dispute involving the Company that was finalized or remained pending during the most recent 2 fiscal years or during the current fiscal year up to the prospectus publication date, the prospectus shall disclose the facts in dispute, amount in dispute, commencement date, main parties involved, and current status of the case: None.
- (13)Other Major Risks and countermeasures
1. Cyber Security: Strengthen the firewall and network controls to prevent virus intrusion.
 2. Device Security: Install endpoint antivirus software according to computer types to enhance the detection of malicious software behavior.
 3. Data Information Security: Implement data snapshot technology to prevent malicious virus tampering and implement the 3-2-1 backup principle for data backup. As hacker attack techniques continue to evolve and new methods emerge, it is impossible to eliminate the occurrence of network security attacks. However, the Company has implemented significant cybersecurity measures to minimize the impact of network threats.

7. Other Important Matters: None.

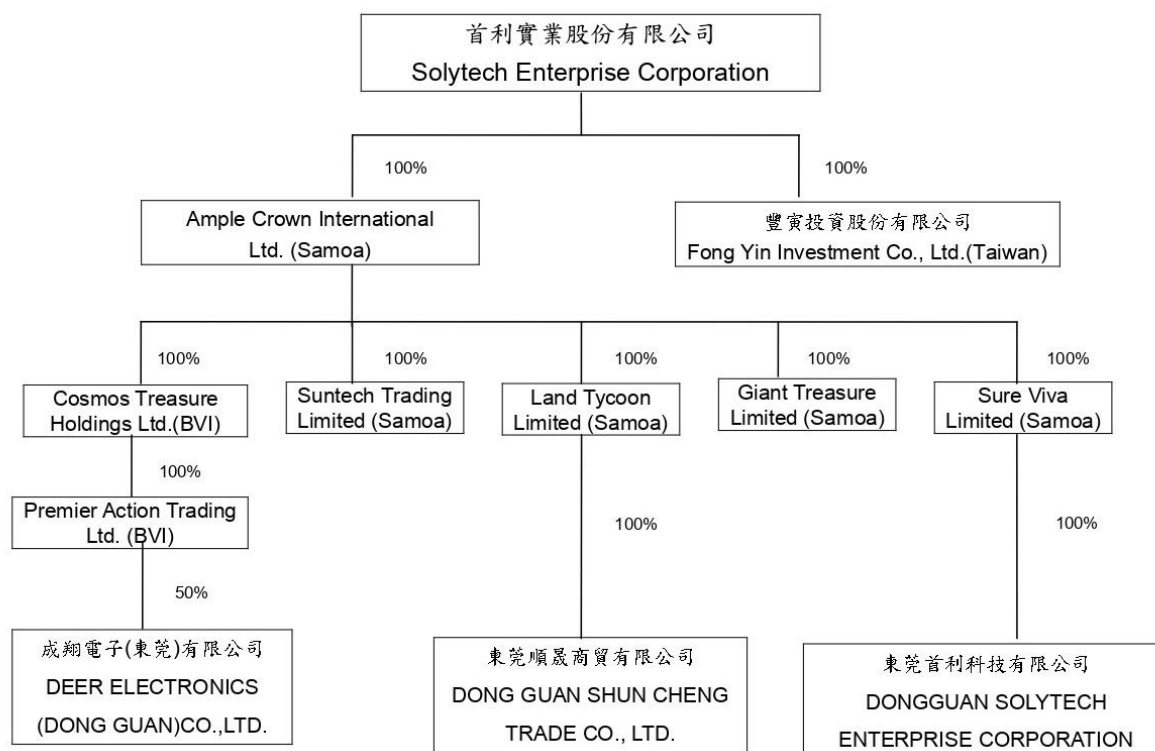
VI. Special Disclosure

1. Information of affiliated enterprises

(1) Consolidated business report of the affiliated enterprises

A. Affiliated enterprises organization chart

12/31/2024



B. Basic information of affiliated enterprises

Name	Date of establishment	Address	Paid-in capital	Main business items
Ample Crown International Ltd.	2003.05.02	VISTRA CORPORATE SERVICES CENTRE, GROUND FLOOR NPF BUILDING, BEACH ROAD, APIA, SAMOA	US\$64,390,001	Holding company
FONG YIN INVESTMENT CO., LTD.	2009.11.13	3F., No. 18, Wuquan 7th Rd., Wugu Dist., New Taipei City 248020, Taiwan (R.O.C.)	NTD14,500,000	Investment company
Cosmos Treasure Holdings Ltd.	2004.07.02	VISTRA CORPORATE SERVICES CENTRE, WICKHAMS CAY II, ROAD TOWN, TORTOLA, VG1110, BRITISH VIRGIN ISLANDS	US\$64,320,000	Holding company
Suntech Trading Limited	2003.10.31	VISTRA CORPORATE SERVICES CENTRE, GROUND FLOOR NPF BUILDING, BEACH ROAD, APIA, SAMOA	US\$1	Redirect company
Land Tycoon Limited	2016.05.25	VISTRA CORPORATE SERVICES CENTRE, GROUND FLOOR NPF BUILDING, BEACH ROAD, APIA, SAMOA	US\$70,001	Holding company
Giant Treasure Limited	2016.05.25	VISTRA CORPORATE SERVICES CENTRE, GROUND FLOOR NPF BUILDING, BEACH ROAD, APIA, SAMOA	US\$1	Holding company
Sure Viva Limited	2016.05.25	VISTRA CORPORATE SERVICES CENTRE, GROUND FLOOR NPF BUILDING, BEACH ROAD, APIA, SAMOA	US\$1	Holding company
Premier Action Trading Ltd.	2005.01.01 (Note 1)	VISTRA CORPORATE SERVICES CENTRE, WICKHAMS CAY II, ROAD TOWN, TORTOLA, VG1110, BRITISH VIRGIN ISLANDS	US\$44,820,000	Holding company
DEER ELECTRONICS (DONG GUAN) CO., LTD.	2005.01.01 (Note1)	Red Gate Mountain Industrial Zone, Changshantou, Qingxi Town, Dongguan City, China.	US\$29,320,000	Manufacturing and selling power supplies, transformers, converters, and other electronic products for computers
DONG GUAN SHUN CHENG TRADE CO., LTD.	2020.02.28	No.19, Jinpeng Road, Fenggang Town, Dongguan City, Guangdong Province, China.	US\$70,000	Buy and sale of computer case
DONGGUAN SOLYTECH ENTERPRISE CORPORATION	2010.01.05	Red Gate Mountain Industrial Zone, Changshantou, Qingxi Town, Dongguan City, China.	US\$15,500,000	Manufacturing and selling power supplies, transformers, converters, and other electronic products for computers

Note 1: Purchase date

C. Information on the common shareholders of entities deemed to have control and subordinate relationships: None

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

Company	Title	Name or representative	Shareholdings	%
Ample Crown International Ltd.	Director	Solytech Enterprise Corporation Representative: Cheng, Chieh, Cheng, Hsiang, Lee, Chen-Nan	64,390,001	100%
FONG YIN INVESTMENT CO., LTD.	Directors and supervisors	Solytech Enterprise Corporation Director: Cheng, Chieh, Cheng, Hsiang, Chiu, Chih-Wei Supervisor: Lin, Ta-Chiun,	1,450,000	100%
Cosmos Treasure Holdings Ltd.	Director	Ample Crown International Ltd. Representative: Cheng, Chieh, Cheng, Hsiang, Lee, Chen-Nan	64,320,000	100%
Suntech Trading Limited	Director	Ample Crown International Ltd. Representative: Cheng, Chieh, Cheng, Hsiang, Lee, Chen-Nan	1	100%
Land Tycoon Limited	Director	Ample Crown International Ltd. Representative: Cheng, Chieh	70,001	100%
Giant Treasure Limited	Director	Ample Crown International Ltd. Representative: Cheng, Chieh	1	100%
Sure Viva Limited	Director	Ample Crown International Ltd. Representative: Cheng, Chieh	1	100%
Premier Action Trading Ltd.	Director	Cosmos Treasure Holdings Ltd. Representative: Cheng, Chieh, Cheng, Hsiang, Lee, Chen-Nan	44,820,000	100%
DEER ELECTRONICS (DONG GUAN) CO., LTD.	Director	Premier Action Trading Ltd. Representative: Lee, Chen-Nan	US\$14,660,000 (Note 1)	50%
DONG GUAN SHUN CHENG TRADE CO., LTD.	Director	Land Tycoon Limited Representative: Yang, Shou-Wen	US\$70,000 (Note 1)	100%
DONGGUAN SOLYTECH ENTERPRISE CORPORATION	Director	Sure Viva Limited Representative: Yang, Shou-Wen	US\$15,500,000 (Note 1)	100%

Note1: DEER ELECTRONICS (DONG GUAN) CO., LTD., DONGGUAN SOLYTECH ENTERPRISE CORPORATION., and DONG GUAN SHUN CHENG TRADE CO., LTD. all three companies have no actual issued shares, therefore their capital contributions are recorded instead.

E. Operation Overview of Affiliated Enterprise:

Unit: NT\$ thousand

Company	Total Assets	Total liabilities	Net worth	Operating revenue	Operating profit	Profit and loss for the period
Ample Crown International Ltd.	1,073,893	331	1,073,562	0	(58)	40,732
FONG YIN INVESTMENT CO., LTD.	19,092	13	19,079	0	(1)	1,944
Suntech Trading Limited	8,358	6,749	1,609	39,912	(4,007)	(3,521)
Cosmos Treasure Holdings Ltd.	1,548,550	0	1,548,550	0	(115)	65,017
Giant Treasure Limited	0	0	0	0	0	0
Land Tycoon Limited	(28,961)	0	(28,961)	0	0	(6,813)
Sure Viva Limited	(447,535)	0	(447,535)	0	0	(13,890)
Premier Action Trading Ltd.	747,826	0	747,826	0	(122)	44,983
DEER ELECTRONICS (DONG GUAN) CO., LTD.	401,447	292,127	109,320	242,232	(20,611)	24,201
DONGGUAN SOLYTECH ENTERPRISE CORPORATION	22,500	470,035	(447,535)	0	2,043	(13,890)
DONG GUAN SHUN CHENG TRADE CO., LTD.	1,096	30,057	(28,961)	25,486	(5,993)	(6,813)
Shenzhen Qianhai Shunsheng Technology Co., Ltd.	17	818	(801)	0	(475)	(475)

(2) Consolidated Financial Statements of Affiliated Enterprise:

Solytech Enterprise Corporation and its subsidiaries

Statement for Consolidated Financial Statements of Affiliated Enterprise

During the fiscal year 2024 (from January 1, 2024 to December 31, 2024), the Company, which should be included in the preparation of the consolidated financial statements of related companies according to the criteria for the preparation of consolidated financial statements of related companies and related reports in the consolidated business report, is the same as that which should be included in the preparation of the consolidated financial statements of parent and subsidiary companies in accordance with International Financial Reporting Standard No. 10. Furthermore, the relevant information that should be disclosed in the consolidated financial statements of related companies has already been disclosed in the aforementioned consolidated financial statements of parent and subsidiary companies. Therefore, no separate consolidated financial statements of related companies will be prepared.

Hereby declare.

Company: Solytech Enterprise Corporation
Chairman: Cheng, Chieh
03/13/2025

(3) Affiliated enterprise report: None.

2. Private placement of securities during the most recent year and up to the date of printing of this annual report: None.
3. Other necessary supplementary explanations: None.

VII. Matters in the Past Year and as of the Date of Publication of the Annual Report Which Have a Substantial Impact on Owner's Equity as Stipulated in Item 2, Paragraph 3 of Article 36 of the Securities Exchange Law: None.

Solytech Enterprise Corporation
Chairman: Cheng, Chieh