

Stock Code:6271



2024

Annual Report

Notice to readers

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

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Taiwan Stock Exchange Market Observation Post System:

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

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Overseas Securities Exchange: None.

Corporate Website: <http://www.theil.com>

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Chapter 1 Letter to Shareholders

Dear Shareholders,

In 2024, although the recovery momentum in the automotive and mobile phone markets has not yet significantly improved, the market has gradually emerged from the impact of uncertain factors in 2023, including reduced market demand, supply chain shortages, international tensions, and global inflation. Through continuous efforts in expanding the high-end application market, cost control, and product portfolio optimization, the Company achieved growth in consolidated revenue, product gross margin, net profit after tax, and earnings per share in 2024 compared to 2023. Additionally, in line with the Company's operational planning, adjustments and transfers of product lines were carried out at the Taiwan and Philippines manufacturing facilities.

Looking ahead to 2025, although the overall environment for automotive electronics remains uncertainty, the extent of any further decline in market demand is expected to be limited. RF modules and metalized ceramic substrates are expected to continue growing, while hybrid integrated circuits and CIS imaging products are expected to maintain stable shipments. Furthermore, the acquisition of land for the Philippines plant and subsequent capacity expansion will support the Company's future business growth and operational expansion.

I. 2024 Business overview

(I) 2024 Business plan implementation results

Unit: NT\$ thousands

Unit: PPS thousands

Item	Financial Information (Note)				Difference	
	2024		2023			
	Amount	%	Amount	%	Amount	%
Net Operating Revenue	12,090,994	100	11,584,909	100	506,085	4
Realized Gross Profit	3,325,898	27	2,787,536	24	538,362	19
Operating Expenses	1,583,037	13	1,369,289	12	213,748	16
Operating Profit	1,742,861	14	1,418,247	12	324,614	23
Non-Operating Income and Expenses	179,572	2	(23,195)	-	202,767	874
Profit Before Tax	1,922,433	16	1,395,052	12	527,381	38
Net Profit After Tax	1,718,449	14	1,150,513	10	567,936	49

Note : Audited and Certified by an Accountant

(II) Financial Income and Expenditure and Profitability Analysis

The consolidated net operating revenue in 2024 reached NT\$12,090,994 thousand, compared to NT\$11,584,909 thousand in 2023, reflecting an increase of NT\$506,085 thousand, a 4% growth.

The product gross margin for 2024 was 27%, up from 24% in 2023, showing a 3% increase.

The consolidated net profit after tax for 2024 was NT\$1,718,449 thousand, compared to NT\$1,150,513 thousand in 2023, an increase of NT\$567,936 thousand, a 49% growth.

The earnings per share (EPS) after tax for 2024 was NT\$8.2, compared to NT\$5.5 in 2023, representing an increase of NT\$2.7.

(III) Budget Implementation

The Company has not made any financial projections for 2024 and therefore does not need to disclose its budgetary performance.

(IV) Research and Development

With the efforts of our R&D team, the Company has achieved good results in the development of image sensor packaging technology for automotive applications, high frequency communication modules, as well as high power semiconductor packaging and ceramic circuit boards in 2024, which contributes to the Company's revenue and profit growth.

II. 2025 Business Plan

(I) Operating Policies

1. Continuously improve the quality of the products and services to enhance customer satisfaction.
2. Continuously improve manufacturing processes, yield rate and phase in automation to lower production costs.
3. To strengthen the division of labor between the plants in Taiwan and the Philippines to improve production flexibility and cost competitiveness.
4. Deepen collaboration with suppliers to establish long-term partnerships.
5. Invest in the development of new materials, equipment, and process technologies applications to provide differentiated products and services.
6. To integrate process technologies of substrates manufacturing, packaging and testing to provide customers with a complete service in a one-time purchase.

(II) Sales Volume Forecast and its Basis

The main growth momentum in 2025 shall come from:

1. The trend of demand for self-driving functions in automobiles is bouncing back gradually after the economic condition has improved in the short run.
2. Demand for high-power LEDs and high-power semiconductors, driven by trends in clean energy and electric vehicles, will also continue to boost the growth of ceramic circuit boards and module assembly services.
3. The widespread adoption of artificial intelligence applications, which will significantly increase the demand for data centers and transmission, driving growth in optical communication-related packaging.

(III) Important Production and Sales Policies

1. In response to global tariffs and trade protectionism, the company will continue to adjust its supply chain and establish strategic partnerships with key suppliers to stabilize material sources and ensure a flexible supply chain, thereby enhancing shipping momentum.
2. The company will continue to expand its overseas production and sales network, and develop strategies for flexible production and distribution planning to reduce geopolitical and operational risks, effectively improving operational efficiency.

III. Future Development Strategy

(I) To establish the Medium-to-Long-Term Business Strategies:

We focus on the growth industries of communications, automotive, energy and biomedical to develop high value-added products.

(II) To strengthen the division of labor between the plants in Taiwan and the Philippines:

Optimize the capacity allocation of the New Taipei, Taoyuan, and Chupei plants to improve production scale and efficiency, we will continue to increase the number of products produced in the Philippines and strengthen the division of labor to improve the flexibility and efficiency of serving customers.

(III) To develop Long-Term Partnerships:

We are committed to developing strategic customers across the globe and building long-term partnerships with suppliers to explore new growth opportunities through

collaboration.

(IV) To organize Management and Intergroup Cooperation:

We strengthen the cooperation between production and sales of each business unit, share resources and integrate information systems among the group, in order to continuously improve quality and production processes, enhance cost competitiveness, improve operational efficiency and build a responsible corporate culture.

IV. The Impact of External Competitive Environment, Legal Regulations, and Overall

Business Environment

Facing with the increasing demands and emphasis on ESG from regulatory authorities, suppliers, and customers, as well as the global push for net-zero carbon emissions, coupled with the implementation of Taiwan's "Climate Change Response Act" and the enforcement of carbon tax, the costs of global energy, raw materials, and labor are expected to continue rising. Despite being full of challenges, the Company will adhere to the principles of corporate governance and pursue sustainable development. The Company will focus on social, environmental, and stakeholder concerns to mitigate the impact of internal and external environmental pressures on the business.

We wish to thank all our shareholders for your attendance, long-term support and encouragement. We wish you all health, peace, and happiness.

Tie-Min Chen

Chairperson of the Board

Chapter 2 Corporate Governance Report

I. Information on Directors, President, Vice Presidents, Associate Vice Presidents, Chiefs of all the Divisions and Branch units

(I) Board members:

1.Information on directors:

March 30, 2025

Title	Nationality/ Place of Incorporation	Name	Gender /Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding of Spouse & Children Minor Age		Shareholding held through Nominees		Principal Work Experience and Academic Qualifications	Position(s) held Concurrently in the Company and/or in any other company	Being Spouse or Second Degree Relation with other Directors & Supervisors			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairperson	R.O.C	Tie-Min Chen	Male 66-70 years old	2022.06.08	3 years	2019.06.21	8,170,134	4.57%	9,559,057	4.57%	-	-	-	-	Hon Honorary Doctorate in Management, National Sun Yat-sen University BS in Engineering, National Cheng Kung University President of Yageo Corp	Founder & Chairperson, YAGEO Corp. Chairperson, Tong Hsing Electronic Industries Ltd Chairperson, Advanced Power Electronics Corp. Chairperson, XSemi Corporation Chairperson, Kuo-Shin Investment Ltd Vice Chairperson, uPI semiconductor corp. Chairperson, TMC Family Heritage	-	-	-	-
Vice Chairperson	R.O.C	Multifield Investment Inc	-	2022.06.08	3 years	2019.06.21	62,084	0.03%	72,638	0.03%	-	-	-	-	Not Applicable	Not Applicable	-	-	-	-
	R.O.C	Representative: Hsi-Hu Lai	Male 61-65 years old	2022.06.08	3 years	2022.06.08	-	-	-	-	-	-	-	-	Bachelor's Degree in Department of Economics, Soochow University Finance Department, Far East Group Vice President, Tong Hsing Electronic Industries Ltd Chief of Staff, Tong Hsing Electronic Industries Ltd Chairperson, Tong Hsing Electronic Industries Ltd Chairperson, Kingpak Technology	Chairperson, Tong Hsing Enterprise Corp. Vice Chairperson, Tong Hsing Electronic Industries Ltd	-	-	-	-
Director	R.O.C	Huan Tai Co., Ltd.	-	2022.06.08	3 years	2022.06.08	27,555	0.02%	327,238	0.16%	-	-	-	-	Not Applicable	Not Applicable	-	-	-	-
	R.O.C	Representative: Chia-Li Huang Note1	Female 51-55 years old	2024.06.06	3 years	2024.06.06	35	0.00%	35	0.00%	-	-	-	-	Bachelor degree in Public Finance, National Chung Hsing University. Junior Manager, Advance Engineering (B.V.I.) Co., Ltd. Department of Finance,	CFO, XSemi Corporation CFO, Tong Hsing Electronic Industries Ltd Vice President of Finance & Management, Tong Hsing Electronic Industries Ltd	-	-	-	-

Title	Nationality/ Place of Incorporation	Name	Gender /Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding of Spouse & Children Minor Age		Shareholding held through Nominees		Principal Work Experience and Academic Qualifications	Position(s) held Concurrently in the Company and/or in any other company	Being Spouse or Second Degree Relation with other Directors & Supervisors			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
															TUNTEX INCORPORATION. CFO, Kingpak Technology	COO, Tong Hsing Electronic Industries Ltd Director Representative, Tong Hsing Electronic Industries Ltd				
Director	R.O.C	Huan Tai Co., Ltd.	-	2022.06.08	3 years	2022.06.08	27,555	0.02%	327,238	0.16%	-	-	-	-	Not Applicable	Not Applicable	-	-	-	-
	R.O.C	Representative: Pen-Chi Chen	Female 51-55 years old	2022.06.08	3 years	2022.06.08	1,000	0.00%	3,000	0.00%	-	-	-	-	Accounting, Fu-Jen Catholic University Audit Manager, PricewaterhouseCoopers	Vice President, Kaimei Electronic Corporation Director Representative, Kaijet Technology International Corporation Director Representative, Tong Hsing Electronic Industries Ltd Director Representative, Ralec Technology (H.K.) Ltd. Director Representative, Mu Yeh Wen Investment Corp. Supervisor, Ralec Trading (KUNSHAN) Limited Supervisor, Ralec Technology (KUNSHAN) Limited Supervisor of Hunan Ralec Electronic Tech Co., Ltd Director Representative, ASJ Holdings Pte Limited. Director Representative,, ASJ Pte. Limited. Director Representative, Teapo Electronic(Hong Kong) Corp. Director Representative, Teapo Holding (Bermuda) Ltd.	-	-	-	-
Director	R.O.C	Shi Hen Enterprise Limited	-	2022.06.08	3 years	2019.06.21	7,555	0.00%	8,838	0.00%	-	-	-	-	Not Applicable	Not Applicable	-	-	-	-
	R.O.C	Representative: Shu-Chen Tsai	Female 61-65 years old	2022.06.08	3 years	2019.06.21	-	-	-	-	-	-	-	-	Catholic Sheng Kung Girls' High School Chairperson and President, Hsin Bung Co., Ltd.	Chairperson and President, Hsin Bung Co., Ltd. Director Representative, Tong Hsing Electronic Ind., Ltd. Director Representative, YAGEO Corp.	-	-	-	-

Title	Nationality/ Place of Incorporation	Name	Gender /Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding of Spouse & Children Minor Age		Shareholding held through Nominees		Principal Work Experience and Academic Qualifications	Position(s) held Concurrently in the Company and/or in any other company	Being Spouse or Second Degree Relation with other Directors & Supervisors			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Director	R.O.C	Kaimei Electronic Corporation	-	2022.06.08	3 years	2019.06.21	8,337,414	4.67%	9,754,774	4.67%	-	-	4,419,767	2.11%	Not Applicable	Not Applicable	-	-	-	-
	R.O.C	Representative: Shu-Hwei Chen	Female 45-50 years old	2022.06.08	3 years	2019.06.21	-	-	-	-	-	-	-	-	Bachelor's Degree in Accounting, Aletheia University PricewaterhouseCoopers Audit Manager	Accounting Supervisor of Kaimei Electronic Corp. Supervisor, Teapo Electronics (Dongguan) Corp. Director Representative, Teapo Electronic(Hong Kong) Corp. Director Representative, Teapo Holding (Bermuda) Ltd. Director Representative, Kaijet Technology International Corporation Supervisor, Suzhou Kaimei Electronic Co., Ltd. Supervisor, Dongguan Teapo Electronic Technology Co.,Ltd. Director Representative, Tong Hsing Electronic Industries, Ltd.	-	-	-	-
Independent Director	R.O.C	Ta-Sheng Chiu	Male 61-65 years old	2022.06.08	3 years	2022.06.08	-	-	-	-	-	-	-	-	Master of Economics, National Chengchi University B.S. in Statistics, National Cheng Kung University Senior Vice President, Merchant Banking Division, Taishin Securities Co., Ltd. Vice President, Financial Markets Division, Taishin International Commercial Bank Vice President, Financial Transactions Division, British Standard Chartered Bank Associate Vice President, Foreign Exchange Trading Division, American Express Bank	President, Moldavit International Co., Ltd. Independent Director, Tong Hsing Electronic Ind., Ltd. Independent Director/ Committee Member of Remuneration Committee/ Committee Member of Nomination Committee/ Committee Member of Audit Committee, uPI semiconductor corp.	-	-	-	-
Independent Director	R.O.C	Yueh-Hsiang Tsai	Male 51-55 years old	2022.06.08	3 years	2022.06.08	-	-	-	-	-	-	-	-	B.S. Rensselaer Polytechnic Institute TROY, NY Director, NEUCHIPS INC. Director, TIA CAPITAL	Director, NEUCHIPS INC. Director, TIA CAPITAL ADVISORS INC. Independent Director/ Committee Member of	-	-	-	-

Title	Nationality/ Place of Incorporation	Name	Gender /Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding of Spouse & Children Minor Age		Shareholding held through Nominees		Principal Work Experience and Academic Qualifications	Position(s) held Concurrently in the Company and/or in any other company	Being Spouse or Second Degree Relation with other Directors & Supervisors			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
															ADVISORS INC.	Remuneration Committee/ Committee Member of Nomination Committee/ Committee Member of Audit Committee, Tong Hsing Electronic Ind., Ltd.				
Independent Director	R.O.C	Chin-Tsai Chen	Male 76-80 years old	2022.06.08	3 years	2007.05.15	-	-	-	-	-	-	-	-	Department of Accounting and Statistics, Tamkang University Master of Public Administration, University of San Francisco Graduate School of Accounting, Tamkang University Accountant, KPMG Taiwan Vice President and President, Namchow Chemical Industrial Co., Ltd. Adjunct Assistant Professor, Department of Accounting, Tamkang University President, Namchow Chemical Industrial Co., Ltd.	Vice Chairperson, HIWIN Technologies Corporation Chairperson, Win Semiconductors Corporation Corporate Supervisor Representative, Infotel Inc. Independent Director/ Committee Member of Remuneration Committee/ Committee Member of Nomination Committee/ Committee Member of Audit Committee, Tong Hsing Electronic Ind., Ltd. Chairperson, Win Semi USA Chairperson, Win Cayman Chairperson, ITEQ Corporation Independent Director/ Committee Member of Remuneration Committee/ Committee Member of Audit Committee, Inventec Besta Co., Ltd.	-	-	-	-

Note1 : On June 6, 2024, Huan Tai Co., Ltd. reassigned Ms. Chia-Li Huang as its new representative director of our company.

2. Major Shareholders of the Institutional Shareholders

March 30, 2025

Name of Institutional Shareholders	Major Shareholders of the Institutional Shareholders	Ownership
Multifield Investment Inc.	Yin-zhong Huang	34.62%
	Yen-Hsu Lai	15.38%
	Yic-Chang Yang	15.38%
	Hsiu-Chieh Yang	15.38%
	Yi-Tzu Lai	6.15%
	Tsai-Hui Lin	4.62%
	Yin-Fang Huang	3.85%
	Hsi-Hu Lai	1.54%
	Wei-Lin Peng	1.54%
	Shao-Wei Peng	1.54%
Huan Tai Co., Ltd.	Shao-Wei Chen	0.49%
	Shao-Chiao Chen	0.49%
	Shao-Man Chen	0.49%
	Hsu Tai Investment Ltd.	98.52%
Shi Hen Enterprise Limited	Hsu Tai Investment Ltd.	100.00%
Kaimei Electronic Corporation	Yageo Corporation	6.97%
	Kuo Shin Investment Co, Ltd.	4.99%
	Huan Tai Co., Ltd.	1.87%
	Kao Hsing Chang Iron & Steel Corp.	1.47%
	Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds, custody by JPMorgan Chase Bank, N.A., Taipei Branch	1.30%
	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS, custody by JPMorgan Chase Bank, N.A., Taipei Branch	1.22%
	Hui-Lin Lee	1.09%
	Citi Custody Barclays Capital SBL/PB Investment Account	0.89%
	San Tai Investment Ltd.	0.66%
	Shi-Ji Chang	0.66%

3. Major Shareholders of the Company's Major Institutional Shareholders

March 30, 2025.

Name of Institutional Shareholders	Major Shareholders of the Institutional Shareholders	Ownership
Hsu Tai Investment Ltd.	Hwei-Jan Lee	26.08%
	Hsu Tai Lung Enterprise Ltd.	24.63%
	Hsu Chong Lung Enterprise Ltd.	24.63%
	Shi Hen Enterprise Limited	24.63%
	Shao-Wei Chen	0.01%
	Shao-Chiao Chen	0.01%
	Shao-Man Chen	0.01%
	Tie-Min Chen	0.00%
	Tsuei-Lien Hseih	0.00%
Yageo Corporation	TMC Family Heritage	5.63%
	CTBC Bank Co., Ltd. In Custody for Dominant Investment Holdings Ltd.	4.85%
	PRC Holding Limited.	4.83%
	MEGA INTERNATIONAL COMMERCIAL BANK CO., LTD. LTD. ACTING AS CUSTODIAN FOR THE INVESTMENT ACCOUNT OF WHOLLY GROUP JAPAN III	4.69%
	Nan Shan Life Insurance Co., Ltd.	1.82%
	Chunghwa Post Co., Ltd.	1.54%
	Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds, custody by Standard Chartered Bank (Taiwan) Ltd., Business Department	1.30%
	New Labor Pension Fund	1.22%
	St. James Emerging Markets Equity Fund, the trustee is Nortrust Nominees and Depository Services Ltd., and the external investment manager appointed is Algar Investment Management LP for a discretionary investment account, custody by Deutsche Bank AG, Taipei Branch	1.20%
	TieMin Heritage Co., Ltd.	1.18%
Kuo Shin Investment Co, Ltd.	Yageo Corporation	100.00%
Kao Hsing Chang Iron & Steel Corp. (Note)	Huida Investment Co., Ltd.	21.48%
	Lu Tai-Rong	14.44%
	Hsieh Chang Hsing Trading Co., Ltd.	13.63%
	Lu Ho-Lin	8.61%
	KHC Steel International Corp.	7.14%
	Qiangyi Investment Co., Ltd.	3.95%
	Sheng Lu Rong Feng	3.30%
	Yang Yen-Ju	3.17%
	Lu Ho-Ching	3.03%
	Lu Chung-Chi	1.42%
San Tai Investment Ltd.	Hsu Tai Investment Ltd.	100.00%

Note: As of the printing date of the annual report, the information of the top ten shareholders in 2025 has not been announced. The shareholding base date for this information is April 22, 2024.

4. Professional qualifications of Directors and the independence of independent directors:

Criteria Names	Professional Qualifications and Experience	Independence	Number of Concurrent Independent Directors of Other Public Offering Companies
Tie-Min Chen	Mr. Tie-Min Chen graduated from the Department of Engineering, National Cheng Kung University, and in 2021 received an honorary PhD in management from the National Sun Yat-sen University. Chairperson Tie-Min Chen was previously the Chairperson of Chilisin Electronics Corp. and is currently serving as the Chairperson of both Yageo Corporation and Tong Hsing Electronic Ind., Ltd. He has many years of management experience.	Not Applicable	0
Multifield Investment Inc. Representative: Hsi-Hu Lai	Mr. Hsi-Hu Lai graduated from the Department of Economics of Soochow University. Hsi-Hu Lai was previously the vice President of the Finance Department and the Chairperson of Tong Hsing Electronic Ind., Ltd. and the Chairperson of Kingpak Technology Corp. He currently serves as the vice Chairperson of Tong Hsing Electronic Ind., Ltd. and has many years of management experience.		0
Huan Tai Co., Ltd. Representative: Chia-Li Huang	Ms. Chia-Li Huang graduated from the Department of Public Finance of National Chung Hsing University. Chia-Li Huang was previously the CFO of Kingpak Technology Corp. She currently serves as the vice President of Finance & Management, CFO and COO of Tong Hsing Electronic Ind., Ltd. and has many years of management experience.		0
Huan Tai Co., Ltd. Representative: Pen-Chi Chen	Mr. Pen-Chi Chen graduated from the Accounting Department of Fu Jen Catholic University and was formerly the audit manager of PwC Taiwan and the financial director of Kaimei Electronic Corp. She is currently the vice President of Kaimei Electronic and the director and supervisor of affiliated companies. She has many years of practical experience in business management and finance.		0
Shi Hen Enterprise Limited Representative: Shu-Chen Tsai	Ms. Shu-Chen Tsai is currently the Chairperson and President of Hsin Bung International Co., Ltd. and Representative Director of Yageo Corporation. She has many years of practical experience in business management and finance.		0
Kaimei Electronic Corporation Representative: Shu-Hwei Chen	Ms. Shu-Hui Chen graduated from the Accounting Department of Aletheia University and was previously the audit manager of PwC Taiwan. She is currently the accounting supervisor of Kaimei Electronic Corp. and director and supervisor of affiliated companies. She has many years of practical experience in business management and finance.		0

Criteria Names	Professional qualifications and experience	Independence	Number of concurrent independent directors of other public offering companies
Ta-Sheng Chiu	Ta-Sheng Chiu, an independent director, has a Master's Degree from the Economics Research Institute of National Chengchi University. He served as the vice President of Taishin Securities, the vice President of the Financial Market Department of Taishin International Commercial Bank and the vice President of the Financial Transaction Department of British Standard Chartered Bank. He is currently the President of Modafite International Co., Ltd. and independent director of uPI semiconductor corp.. He has many years of practical experience in finance and investment management.	All independent directors are qualified as follows: (1) They are not employees of the Company or its affiliates. (2) Not a director or supervisor of the Company's affiliated companies. (3) Not a natural person shareholder who holds more than 1% of the total issued shares or the top ten shares in the name of himself/herself, his/her spouse, minor children or other persons.	1
Yueh-Hsiang Tsai	Jui-Hsiang Tsai, an independent director, graduated from the Rensselaer Polytechnic Institute and is currently the director of NEUCHIPS Inc. and TIA CAPITAL ADVISORS INC. He has many years of practical experience in finance and investment management.	(4) A person who is not a manager listed in (1) or a spouse, a relative within the second degree of consanguinity or a relative within the third degree of consanguinity of a person listed in (2) or (3).	0
Chin-Tsai Chen	Chin-Tsai Chen, an independent director, holds a master's degree from the Graduate School of Tamkang University and a master's degree in public administration from the University of San Francisco in the United States. He received an honorary PhD in 2021 from Tamkang University. Chin-Tsai Chen was previously the President of Namchow Holdings Co., Ltd., and the director and supervisor of many companies. He is currently the President of WIN Semiconductors Corp., Chairperson of ITEQ Corporation, vice Chairperson of HIWIN Technologies Corp., and a board member for many publicly listed companies. He has many years of experience in various industrial operations and management.	(5) A director, supervisor, or employee of a corporate shareholder who does not directly hold more than 5% of the total number of issued shares of the Company, hold the top five shares, or appoint a representative as a director or supervisor of the Company in accordance with Article 27(1) or (2) of the Company Act. (6) A director, supervisor or employee of the	1

Criteria Names	Professional qualifications and experience	Independence	Number of concurrent independent directors of other public offering companies
		<p>Company who is not controlled by the same person as more than half of the Company's directors or voting shares</p> <p>(7) A director (director), supervisor (supervisor), or employee of another company or organization who is not the same person or spouse of the Chairperson, president, or equivalent officer of the Company.</p> <p>(8) A director (director), supervisor (supervisor), main managers, or shareholder holding more than 5% of the shares of a particular company or organization with which the Company has financial or business dealings.</p> <p>(9) Not a professional individual or owner, partner, director (member of the governing board), supervisor (member of the supervising board), managerial officer and his/her spouse of a professional, sole proprietorship, partnership, company or institution that provides audit services to the Company or an affiliated enterprise or has received remuneration in the 2 most recent years not exceeding NT\$500,000 for business, legal, financial, accounting and related services.</p> <p>(10) Not related to other directors as spouses or relatives within the second degree of consanguinity.</p> <p>(11) Not elected by or on behalf of the government or a corporation as provided in Article 27 of the Company Act.</p>	

Note: 1.Educational experience, gender and work experience of each director of the Company, please refer to "Chapter2 I. (I) 1.Information on directors."
2.None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Act.

5. Diversity and independence of the Board members

(1) Diversity of the Board of Directors:

The diversity policies of the Company's Board of Directors include two aspects: basic conditions and values, professional knowledge and skills. Detailed explanation is as follows:

Standards	Policies and Targets	Implementation
I. Basic conditions and values	(1) Gender: the proportion of female directors exceeds one-third.	Achievement
II. Professional knowledge and skills	(1) Professional background: including accounting, industry, finance, marketing or technology, etc. (2) Industrial experience: including semiconductor, finance, accounting or technology industry, etc.	Achievement

Implementation of diversity policy:

Title	Name	Nationality/ Place of Incorporation	Gender	Ages	Industry experience / Professional competence											
					Operations Judgment	Manage ment	Crisis Managem ent	Leadership Decision- making	Industry knowled ge	Internatio nal Outlook	Accountin g	Finance	Financial	Technology	Marketin g	Employe e status
Chairperson	Tie-Min Chen	R.O.C	Male	66-70 years old	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Representative of Juristic- person	Hsi-Hu Lai	R.O.C	Male	61-65 years old	✓	✓	✓	✓	✓	✓	✓	✓	✓			
Representative of Juristic- person	Chia-Li Huang	R.O.C	Female	51-55 years old	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓
Representative of Juristic- person	Pen-Chi Chen	R.O.C	Female	51-55 years old	✓	✓	✓	✓	✓	✓	✓	✓				
Representative of Juristic- person	Shu-Chen Tsai	R.O.C	Female	61-65 years old	✓	✓	✓	✓	✓	✓		✓			✓	
Representative of Juristic- person	Shu-Hwei Chen	R.O.C	Female	45-50 years old	✓	✓	✓	✓	✓	✓	✓	✓				
Independent Director	Ta-Sheng Chiu	R.O.C	Male	61-65 years old	✓	✓	✓	✓	✓	✓		✓	✓			
Independent Director	Yueh-Hsiang Tsai	R.O.C	Male	51-55 years old	✓	✓	✓	✓	✓	✓		✓	✓	✓		
Independent Director	Chin-Tsai Chen	R.O.C	Male	76-80 years old	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	

If the board of directors has less than one-third of its seats occupied by directors of any gender, explain the reasons and the measures planned to enhance gender diversity on the board: None.

(2) Board independence:

The Board of Directors of the Company consists of 9 members, including 3 independent directors, accounting for 33.33% of the total. The independence of board members is disclosed on "Chapter2 I. (I) 4. Professional qualifications of Directors and the independence of independent directors. " There are neither circumstances specified in Paragraphs 3 and 4 of Section 26 (3) of the Securities and Exchange Act nor any spouse or lineal relative within the second degree of kinship of any of the directors.

(II) Information on President, Vice Presidents, Associate Vice Presidents, Chiefs of all the Divisions and Branch units

March 30, 2025.

Title	Nationality	Name	Gender	On-board Date	Shareholding		Spouse & Minor Shareholding		Specific Person Shareholding		Education and Selected Past Positions	Other Positions	Managerial Officer who Are Spouses or within the Second Degree of Kinship			Remark
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Former President /CEO	R.O.C	Jia-Shuai Chang (Note 1)	Male	-	-	-	-	-	-	-	-	-	-	-	-	-
President /CEO	R.O.C	Shao-Pin Ru	Male	2024.05.30	134,650	0.06%	19,730	0.01%	-	-	Master of Business Administration, National Chiao Tung University Department of Electrical Engineering, National Taiwan University CEO, Tong Hsing Electronic Ind., Ltd.	Chairperson, KAIMEI ELECTRONIC CORP.	-	-	-	-
COO & CFO/ Vice President	R.O.C	Chia-Li Huang	Female	2017.03.10	35	0.00%	-	-	-	-	Bachelor degree in Public Finance, National Chung Hsing University. Junior Manager, Advance Engineering (B.V.I.) Co., Ltd. Department of Finance, TUNTEX INCORPORATION. CFO, Tong Hsing Electronic Ind., Ltd. Vice President of Finance & Management, Tong Hsing Electronic Ind., Ltd. COO, Tong Hsing Electronic Ind., Ltd. CFO, Kingpak Technology	CFO, XSEMI Corporation	-	-	-	-
Vice President	R.O.C	Chien-Chen Lee	Male	2022.07.01	-	-	-	-	-	-	Ph. D., Power Mechanical Engineering, National Tsing Hua University VP & BU Head, Tong Hsing Electronic Industries CTO & BU Head, Kingpak Technology Director, Packaging and Assembly Engineering, mCube Director, R&D Center, StatsChipPAC	None	-	-	-	-
Former Vice President	R.O.C	Chin-Lung Fang (Note 2)	Male	-	-	-	-	-	-	-	-	-	-	-	-	-
Associate Vice President	R.O.C	Zzu-Chi Chiu	Male	2022.07.04	-	-	-	-	-	-	Graduate Degree, Power mechanical engineering, NTHU. Director of Tong Hsing Business Unit	None	-	-	-	-
Associate Vice President	R.O.C	Ming-Yen Pan	Male	2022.10.01	-	-	-	-	-	-	National Taiwan University, Business Administration Director of Tong Hsing Business Unit	None	-	-	-	-
Former Associate Vice President	R.O.C	Po-Hsiu Cheng (Note 3)	Male	-	-	-	-	-	-	-	-	-	-	-	-	-

Note 1: Jia-Shuai Chang had resigned on May 30, 2024.

Note 2: Chin-Lung Fang had resigned on March 1, 2024.

Note 3: Po-Hsiu Cheng had resigned on June 1, 2024.

Note 4: The Company has no situation where the President (or an equivalent highest-ranking manager) and the Chairperson are the same person, spouses, or first-degree relatives.

Note 5: Regarding the experience related to the current position, there is no record of employment at the auditing CPA firm or its affiliated enterprises during the aforementioned period.

II. Remunerations Paid to Directors, President and Vice Presidents in Recent Years

(I) Remunerations paid to directors

December 31, 2024; Unit: NT\$ thousands

Title	Name	Remuneration Paid to Directors								Total amount (A+B+C+D) and ratio of total amount to net income		Employment-related Remuneration								Total amount (A+B+C+D+E+F +G) and ratio of total amount to net income		Remunerat ion from Invested Companies Other than Subsidiarie s or the Parent Company
		Base Compensation (A) (Note 1)		Retirement pension (B)		Directors (C) (Note 2)		Business implementation expenses (D) (Note 3)				Salary, bonuses and special expenses (E) (Note 4)		Retirement pension (F)		Employee compensation (G) (Note 5)						
		From TH	From All Consolidat ed Entities	From TH	From All Consolidat ed Entities	From TH	From All Consolida ted Entities	From TH	From All Consolida ted Entities	From TH	From All Consolid ated Entities	From TH	From All Consolidat ed Entities	From TH	From All Consolidat ed Entities	From TH		From All Consolidate d Entities		From TH	From All Consoli dated Entities	
Cash	Stoc k	Cash	Stock																			
Directors	Tie-Min Chen	31,012	31,012	108	108	62,340	62,340	2,031	2,031	95,491 /5.57%	95,491 /5.57%	14,577	14,577	153	153	2,735	-	2,735	-	112,956 /6.59%	112,956 /6.59%	None
	Multifield Investment Inc. Representative: Hsi- Hu Lai																					
	Huan Tai Co., Ltd. Former Representative: Jia- Shuai Chang; Representative: Chia -Li Huang (Note 6)																					
	Huan Tai Co., Ltd. Representative: Pen- Chi Chen																					
	Kaimei Electronic Corporation Representative: Shu- Hwei Chen																					
Independent Director	Shi Hen Enterprise Limited Representative: Shu- Chen Tsai																					
	Ta-Sheng Chiu																					
	Yueh-Hsiang Tsai																					
	Chin-Tsai Chen																					

1. Independent Directors' remuneration policies, procedures, standards and structure, as well as the linkage to responsibilities, risks and time spent:

The remuneration of the directors (including independent directors) of the Company is primarily determined by Article 19 of the Company's Articles of Association. If the Company is profitable in a fiscal year, no more than 3% should be allocated for director's remuneration. Additionally, Article 13-1 states that the remuneration of the directors (including independent directors) is assessed by the Remuneration Committee based on their level of participation and contribution to the Company's operations. The Board of Directors is authorized to deliberate on and approve the remuneration based on the assessment of the Remuneration Committee and industry standards. Therefore, the remuneration of the directors should be appropriately linked to the Company's business risks and performance, considering industry standards, as well as the individual performance, time commitment, and responsibilities of the directors (including independent directors). Furthermore, a separate remuneration policy may be established for independent directors; therefore, the overall consideration of remuneration for independent directors should be reasonable.

2. In addition to the above disclosed, Director Remuneration received for the services of all companies in the financial report (such as providing consulting services as a non-employee of parent company/all consolidated entities/non-consolidated affiliates) amount : None.

Table of Remuneration Range

Range of Remuneration	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	From TH	From All Consolidated Entities	From TH	From All Consolidated Entities
Under NT\$ 1,000,000	Jia-Shuai Chang; Chia -Li Huang; Pen-Chi Chen; Shu-Chen Tsai; Shu-Hwei Chen	Jia-Shuai Chang; Chia -Li Huang; Pen-Chi Chen; Shu-Chen Tsai; Shu-Hwei Chen	Pen-Chi Chen; Shu-Chen Tsai; Shu-Hwei Chen	Pen-Chi Chen; Shu-Chen Tsai; Shu-Hwei Chen
NT\$1,000,000 (inclusive) ~NT\$2,000,000(exclusive)	Ta-Sheng Chiu; Yueh-Hsiang Tsai; Chin-Tsai Chen	Ta-Sheng Chiu; Yueh-Hsiang Tsai; Chin-Tsai Chen	Ta-Sheng Chiu; Yueh-Hsiang Tsai; Chin-Tsai Chen	Ta-Sheng Chiu; Yueh-Hsiang Tsai; Chin-Tsai Chen
NT\$2,000,000 (inclusive)~NT\$3,500,000 (exclusive)	-	-	Jia-Shuai Chang	Jia-Shuai Chang
NT\$3,500,000 (inclusive)~NT\$5,000,000 (exclusive)	-	-	-	-
NT\$5,000,000 (inclusive)~NT\$10,000,000 (exclusive)	Kaimei Electronic Corporation; Shi Hen Enterprise Limited; Multifield Investment Inc.	Kaimei Electronic Corporation; Shi Hen Enterprise Limited; Multifield Investment Inc.	Kaimei Electronic Corporation; Shi Hen Enterprise Limited; Multifield Investment Inc.	Kaimei Electronic Corporation; Shi Hen Enterprise Limited; Multifield Investment Inc.
NT\$10,000,000 (inclusive)~NT\$15,000,000 (exclusive)	His-Hu Lai	His-Hu Lai	His-Hu Lai; Chia-Li Huang	His-Hu Lai; Chia-Li Huang
NT\$15,000,000 (inclusive)~NT\$30,000,000 (exclusive)	Huan Tai Co., Ltd.	Huan Tai Co., Ltd.	Huan Tai Co., Ltd.	Huan Tai Co., Ltd.
NT\$30,000,000 (inclusive)~NT\$50,000,000 (exclusive)	Tai-Ming, Chen	Tai-Ming, Chen	Tai-Ming, Chen	Tai-Ming, Chen
NT\$50,000,000 (inclusive)~NT\$100,000,000 (exclusive)	-	-	-	-
Over 100,000,000	-	-	-	-
Total	14	14	14	14

Note 1: Remunerations to the directors in 2024 include director's salary, directors' allowances, severance pay, various bonuses, incentive payments, etc.

Note 2: These are 2024 director remunerations proportionally divided among the directors. The compensation of NT\$62,340 thousand has been resolved by the Board Meeting.

Note 3: Professional service fees paid to the director (including traveling expense, special allowances, subsidies, dormitory, company cars, in kind payments, etc.).

Note 4: Refers to compensation paid to directors who also served as president, vice president, other main managers or employees in 2024 including base compensation, job allowance, severance pay, bonuses, incentives, travel fees, special allowances, various allowances, accommodation, company cars and other physical items, etc. Any salary expenses recognized under IFRS 2 Share-Based Payment, including employee stock option plan, employee restricted stock and cash capital increase by stock subscription shall also be included in compensation.

Note 5: This is the total 2024 employee compensation paid to the directors who are also the Company's employees (including the president, vice presidents, other main managers and employees). The compensation of NT\$114,320 thousand has been resolved by the Board Meeting. The figures shown here are calculated based on the actual distribution percentage from last year. An appendix table " Employees compensation paid to main managers " is attached here for the details.

Note 6: On June 6, 2024, Huan Tai Co., Ltd. reassigned Ms. Chia-Li Huang as its new representative director of our company.

* The remuneration contents disclosed in this table are different from the concept of income specified in the Income Tax Act, thus the purpose of this table is for information disclosure only, rather than taxation purpose.

(II) Remunerations paid to main managers

December 31, 2024; Unit: NT\$ thousand dollars

Title	Name	Salary (A) (Note 1)		Retirement pension (B)		Bonus and special expenses (C) (Note 2)		Employee compensation (D) (Note 3)				Total amount (A+B+C+D) and ratio of total amount to net income (%)		Remuneration from Invested Companies Other than Subsidiaries or the Parent Company
		From TH	From All Consolidated Entities	From TH	From All Consolidated Entities	From TH	From All Consolidated Entities	From TH		From All Consolidated Entities		From TH	From All Consolidated Entities	
								Cash	Stock	Cash	Stock			
Former President /CEO(Note4)	Jia-Shuai Chang	22,754	22,754	582	582	13,359	13,359	8,941	-	8,941	-	45,636 /2.66%	45,636 /2.66%	None
President /CEO(Note5)	Shao-Pin Ru													
COO & CFO /Vice President	Chia-Li Huang													
Vice President	Chien-Chen Lee													
Former Vice President(Note 6)	Chin-Lung Fang													
Associate Vice President	Ming-Yen Pan													
Associate Vice President	Zzu-Chi Chiu													
Former Associate Vice President (Note 7)	Po-Hsiu Cheng													

Table of Remuneration Range

Range of Remuneration	Total Remuneration (A+B+C)	
	From TH	From All Consolidated Entities
Under NT\$ 1,000,000		-
NT\$1,000,000(inclusive)~NT\$2,000,000	Chin-Lung Fang(Note 6) 、Po-Hsiu Cheng(Note7) 、Shao-Pin Ru(Note5)	Chin-Lung Fang(Note 6) 、Po-Hsiu Cheng(Note7) 、Shao-Pin Ru(Note5)
NT\$2,000,000 (inclusive)~NT\$3,500,000 (exclusive)	Jia-Shuai Chang(Note4)	Jia-Shuai Chang(Note4)
NT\$3,500,000 (inclusive)~NT\$5,000,000 (exclusive)	-	-
NT\$5,000,000 (inclusive)~NT\$10,000,000 (exclusive)	Zzu-Chi Chiu; Ming-Yen Pan; Chien-Chen Lee	Zzu-Chi Chiu; Ming-Yen Pan; Chien-Chen Lee
NT\$10,000,000 (inclusive)~NT\$15,000,000 (exclusive)	Chia-Li Huang	Chia-Li Huang
NT\$15,000,000 (inclusive)~NT\$30,000,000 (exclusive)	-	-
NT\$30,000,000 (inclusive)~NT\$50,000,000 (exclusive)	-	-
NT\$50,000,000 (inclusive)~NT\$100,000,000 (exclusive)	-	-
Over 100,000,000	-	-
Total	8	8

Note 1: Remunerations to the main managers in 2024 include main manager's salary, main managers' allowances, and severance pay.

Note 2: Refer to the main managers' allowances in 2024 (including provisions of base compensation, travel fees, special allowances, various allowances, accommodations, or company cars and other physical items for serving as representatives of institutional directors or supervisors designated by the Company on behalf of its subsidiaries).

Note 3: The employee compensation of NT\$114,320 thousand has been resolved by the Board Meeting. The figures shown here are calculated based on the actual distribution percentage from last year. An appendix table "Employees compensation paid to main managers" is attached here for the details.

Note 4: Jia-Shuai Chang had resigned on May 30, 2024, and his remuneration was calculated from January 1, 2024 to May 30, 2024.

Note 5: Shao-Pin Ru assumed office on May 30, 2024, and his remuneration was calculated from May 30, 2024 to December 31, 2024.

Note 6: Chin-Lung Fang had resigned on March 1, 2024, and his remuneration was calculated from January 1, 2024 to March 1, 2024.

Note 7: Po-Hsiu Cheng had resigned on June 1, 2024, and his remuneration was calculated from January 1, 2024 to June 1, 2024.

* The remuneration contents disclosed in this table are different from the concept of income specified in the Income Tax Act, thus the purpose of this table is for information disclosure only, rather than taxation purpose.

(III) Employees compensation paid to main managers

December 31, 2024 ; Unit: NT\$ thousand dollars

	Title	Name	Stock	Cash (Note 1)	Total	Ratio of Total Amount to Net Income (%)
Main managers	Former President/CEO(Note 2)	Jia-Shuai Chang	-	8,941	8,941	0.52%
	President/CEO (Note 3)	Shao-Pin Ru				
	COO & CFO/ Vice president	Chia-Li Huang				
	Vice president	Chien-Chen Lee				
	Former Vice president(Note 4)	Chin-Lung Fang				
	Associate Vice President	Ming-Yen Pan				
	Associate Vice President	Zzu-Chi Chiu				
	Former Associate Vice President(Note 5)	Po-Hsiu Cheng				

Note 1: The proposed allocation of employee remuneration, approved by the board of directors for the fiscal year 2024, is NT\$114,320 thousand. The proposed allocation amount is calculated based on the actual distribution ratio from the previous year.

Note 2: Jia-Shuai Chang had resigned on May 30, 2024, his remuneration was calculated from January 1, 2024 to May 30, 2024.

Note 3: Shao-Pin Ru assumed office on May 30, 2024, his remuneration was calculated from May 30, 2024 to December 31, 2024.

Note 4: Chin-Lung Fang had resigned on March 1, 2024, and his remuneration was calculated from January 1, 2024 to March 1, 2024.

Note 5: Po-Hsiu Cheng had resigned on June 1, 2024, and his remuneration was calculated from January 1, 2024 to June 1, 2024.

(IV) Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports, as paid by the Company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors and main managers, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure :

1. The analysis of total remuneration, as a percentage of net income stated in the parent company only financial statements, paid to the directors and main managers during the past 2 fiscal years:

Title	2023		2024 (Note 1)	
	From TH	From All Consolidated Entities	From TH	From All Consolidated Entities
Directors	12.05%	12.05%	8.23%	8.23%
Main Managers				

Note 1: The remuneration of president and vice president in 2024 is an estimate.

2. The policies, standards, and portfolios for the payment of remuneration, the procedures for

determining remuneration, and the correlation with risks and business performance:

(1)The remuneration of directors of the Company shall be determined in accordance with the Company's Articles of Incorporation. Director's compensation shall fully reflect individual performance and the Company's long-term operating performance. The Board of Directors is authorized to determine the remuneration of individual directors based on their respective duties, responsibilities, and performance evaluations. When the Company generates profits, no more than 3% shall be allocated as director's remuneration.

(2)Remunerations to the main managers including salary, bonus and employee compensation:

Salary: Based on factors such as individual job responsibilities, professional capabilities, and job contributions, taking into account the industry standards.

Bonus and Employee Compensation:

Linked to performance goals for various business units, departments and individuals, and determined based on the importance of the managerial position, job responsibilities and future risks.

At the same time, in order to strengthen the connection between the company's sustainable environmental management indicators and managers' performance, the two sub-item KPIs of external ESG evaluation results and environmental energy-saving indicators are included as manager performance appraisal items, and the achievement of KPIs is used as the basis for reward and remuneration. The weight of ESG indicators is 10%. Classification: A+, A, B, C based on KPI achievement rate and linked to managers' variable remuneration.

(3)The Company's directors and main managers are evaluated based on the "Board Performance Evaluation Procedure" and "Employee Performance Evaluation Method" respectively, which are used as the basis for performance evaluation. The Company conducts annual board performance evaluations and quarterly employee performance evaluations.

III. Implementation of Corporate Governance

(I)Board of directors

1. A total of 5 meetings of the Board of Directors were held in 2024 (A). The attendance status of Directors was as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Attendance Rate (%) (B)/(A)	Remark
Chairperson	Tie-Min Chen	4	1	80	
Vice Chairperson	Multifield Investment Inc. (Representative: Hsi-Hu Lai)	5	0	100	
Directors	Huan Tai Co., Ltd. (Former Representative: Jia-Shuai Chang)	2	1	67	Chia-Li Huang has been appointed as the

Title	Name	Attendance in Person (B)	Attendance by Proxy	Attendance Rate (%) (B)/(A)	Remark
	Huan Tai Co., Ltd. (Representative: Chia-Li Huang)	2	0	100	representative for the board of directors from 2024, June, 6.
Directors	Huan Tai Co., Ltd. (Representative: Pen-Chi Chen)	5	0	100	
Directors	Shi Hen Enterprise Limited (Representative: Shu-Chen Tsai)	4	1	80	
Directors	Kaimei Electronic Corporation (Representative: Shu-Hui Chen)	5	0	100	
Independent Director	Ta-Sheng Chiu	5	0	100	
Independent Director	Yueh-Hsiang Tsai	5	0	100	
Independent Director	Chin-Tsai Chen	4	1	80	

2. Other matters:

- (1) Should any of the following take place in a board meeting, the date and number of the meeting, the content of proposal, Independent Director's opinions and the Company's response to such opinions should be recorded:

A. For matters listed in Article 14-3 of the Securities and Exchange Act.

Date/Term	Major Resolutions	Independent Directors' Opinions	The Company's Response	Independent Directors' Objection or Reserved Opinions on Record or Stated in Writing
February 29, 2024 8 th meeting of the 18 th Term	1. To submit of the Company's 2023 "Statement of Internal Control System". 2. To revise the Company's "Internal Control System". 3. The proposal for the Company's year-end bonus distribution and remuneration distribution plan for employees and Directors for 2023. 4. The proposal for the Company's 2023 Business Report and Financial Statements. 5. The company's 2023 earnings distribution table and cash dividend distribution proposal. 6. The proposal for the replacement of	None	None	None

Date/Term	Major Resolutions	Independent Directors' Opinions	The Company's Response	Independent Directors' Objection or Reserved Opinions on Record or Stated in Writing
	<p>the company's accountant due to internal adjustments within the accounting firm.</p> <p>7. Evaluation of the independence and competency of the Company's CPA.</p> <p>8. To amend the Company's "Articles of Incorporation".</p> <p>9. The proposal for the amendment of certain provisions of the company's "Audit Committee Charter."</p> <p>10. The proposal for the amendment of certain provisions of the company's "Rules of Procedure for Board of Directors Meetings."</p> <p>11. The proposal for the 2024 business plan.</p> <p>12. The proposal for the date, location, and reasons for convening the Company's 2024 annual shareholders' meeting.</p> <p>13. The period and location for accepting shareholder proposals for the company's 2024 Annual General Meeting.</p>			
April 18, 2024 9 th meeting of the 18 th Term	1. The proposal for the Company's 2024 Q1 consolidated financial statements.	None	None	None
May 30, 2024 10 th meeting of the 18 th Term	<p>1. The proposal for the appointment of the company's President.</p> <p>2. The proposal to lift the non-compete restrictions for the newly appointed President.</p> <p>3. The proposal for the appointment of the company's Chief Operating Officer.</p>	None	None	None
July 30, 2024 11 th meeting of the 18 th Term	<p>1. The proposal for the Company's 2024 Q2 consolidated financial statements.</p> <p>2. The proposal for the change of main manager at the Longtan Branch.</p> <p>3. The proposal for the company's 2023 Sustainability Report.</p>	None	None	None
October 29, 2024 12 th meeting of the 18 th	<p>1. The proposal for 2025 Annual Audit Plan.</p> <p>2. To revise the Company's "Internal Control System".</p> <p>3. The proposal for the appointment of the</p>	None	None	None

Date/Term	Major Resolutions	Independent Directors' Opinions	The Company's Response	Independent Directors' Objection or Reserved Opinions on Record or Stated in Writing
Term	<p>company's Chief Internal Auditor.</p> <p>4. The proposal for the distribution of 2023 executive compensation.</p> <p>5. The proposal for the Company's 2024 Q3 consolidated financial statements.</p> <p>6. The proposal for the earnings distribution for the first half of the Company's fiscal year of 2024.</p> <p>7. The proposal for the land acquisition by the company's subsidiary, TONG HSING ELECTRONICS PHILS. INC.</p> <p>8. The proposal for the company's fund lending to its subsidiary, TONG HSING ELECTRONICS PHILS. INC.</p> <p>9. For the needs of working capital turnover and management of interest and exchange rate risks, it is proposed to apply to financial institutions for relevant credit line.</p> <p>10. The proposal for the amendment of certain provisions of the company's "General Principles for Pre-Approval of Non-Assurance Services Policy".</p> <p>11. The proposal for the amendment of certain provisions of the company's "Procedures for Derivatives Transactions."</p> <p>12. The proposal for the amendment of certain provisions of the company's "Material Information and Insider Trading Prevention Management Procedures."</p> <p>13. The proposal for the establishment of the company's "Sustainability Information Management Operations."</p> <p>14. The proposal to establish the Company's "Procedures for the Preparation and Assurance of the Sustainability Report."</p> <p>15. The proposal to donate to the "Yageo Foundation".</p>			

B. Other resolutions of the Board, which the Independent Director(s) voiced objection or reservation that are documented or issued through a written statement in addition to the above: None.

(2) Directors abstaining in certain proposals for being a stakeholder, (the name of the

Director(s), the content of the proposal, reasons for abstentions and the results of voting counts should be stated): None.

(3) Board of directors evaluation status:

Frequency	Period	Scope	Method	Content
Annually	January 1, 2024-December 31, 2024	Including Board of Directors, board members and functional committees.	Internal evaluation	As below

In accordance with the Company's "Regulations for Evaluating the Performance of the Board of Directors", the Board of directors shall perform internal board performance evaluations in accordance with evaluation indicators and evaluation procedures every year. The performance evaluation of the Board of directors shall be conducted by an external professional institution or a team of external experts and scholars at least once every three years.

Performance evaluation execution status:

A. Internal evaluation:

The results of the 2024 performance evaluation of the Company's Board of Directors are as follows:

The overall average score of the self-evaluation of the Board of Directors' performance was 4.86 points (out of 5 points).

The overall average score of the self-evaluation of individual Directors' performance was 4.98 points (out of 5 points).

The overall average score of the self-evaluation of the Audit Committee performance was 4.95 points (out of 5 points).

The overall average score of the self-evaluation of the Remuneration Committee performance was 5.0 points (out of 5 points).

The overall average score of the self-evaluation of the Nomination Committee performance was 4.95 points (out of 5 points).

B. External evaluation:

The company adopted the Board Performance Evaluation Method by resolution of the Board of Directors on August 11, 2020. In accordance with the regulations, an external professional institution or a team of external experts and scholars shall conduct an evaluation at least once every three years. In 2026, an external professional organization will be engaged to conduct 2025 Board of Directors performance evaluation.

(4) Measures taken to strengthen the functionality of the Board in the current and the latest year (e.g., establishing the Audit Committee, enhancing information transparency), and implementation status:

Implementation of Strengthening the Functional Objectives of the Board	Implementation Situation
A. All members of the Audit Committee attended and implemented risk control.	In 2024, the attendance rate of all members was 92%. The Company's financial statements, the selection (or dismissal) of certified accountants and their independence and

Implementation of Strengthening the Functional Objectives of the Board	Implementation Situation
	performance, the effective implementation of the Company's internal control, and confirmation of the compliance to relevant laws and regulations were reviewed.
B. The Remuneration Committee regularly evaluates and reviews the policies, systems, standards and structures of performance appraisal and remuneration of directors and main managers.	In 2024, the attendance rate of all members was 100%. The remuneration of directors and main managers was evaluated.
C. Improving information transparency	The Company's website has regularly updated with bilingual (Chinese and English) information on business operations, finance, investor relations, and ESG.
D. Periodically reports to the Board of Directors regarding corporate governance	The corporate governance implementation status has been reported to the Board of Directors on October 29, 2024.
E. Efforts were made to continue promoting corporate governance and improving the ranking of corporate governance assessment.	The Company attaches great importance to corporate governance and continues to strengthen it with remarkable results. In 2024, the Company has completed the Annual Report and disclosure items at the Company's website in accordance with corporate governance evaluation indicators.

(II) Audit Committee

1. A total of 4 meetings of Audit Committee were held in 2024 (A). The attendance status of independent directors was as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Attendance Rate (%) (B)/(A)	Remark
Independent Director	Ta-Sheng Chiu	4	0	100	
Independent Director	Yueh-Hsiang Tsai	4	0	100	
Independent Director	Chin-Tsai Chen	3	1	75	

2. Other matters:

(1) The date of the Board meeting, the term, contents of the proposals, resolutions of the Audit Committee, and the Company's handling of the resolutions of the Audit Committee shall be recorded under the following circumstances in the operations of the Audit Committee meeting:

A. Items listed in Article 14-5 of the Securities and Exchange Act:

Date/Term	Resolution and Follow-up Actions	Matters listed in Article 14-5 of the Securities and Exchange Act	Other resolutions passed by two thirds of all Directors but yet to be approved by the Audit Committee
February 29, 2024 7 th meeting of 2 nd Term	<ol style="list-style-type: none"> 1. Implementation of the 2023Q4 audit plan. 2. To submit the “Statement of Internal Control System” of 2023. 3. To revise the Company's "Internal Control System". 4. The proposal for the Company's Business Report and Financial Statement in 2023. 5. The company's 2023 earnings distribution table and cash dividend distribution proposal. 6. The proposal for the replacement of the company's accountant due to internal adjustments within the accounting firm. 7. Evaluation of the independence and competency of the Company's CPA. 8. To amend the Company's "Articles of Incorporation". 9. The proposal for the amendment of certain provisions of the company's "Audit Committee Charter." 	✓	No such circumstances
	<p>Audit Committee resolution: The chair consulted all Committee Members in attendance and the proposals were passed unanimously by the Committee Members.</p> <p>The Company's actions in response to the opinions of the Audit Committee: The chair consulted all Committee Members in attendance and the proposals were passed unanimously by the Committee Members. All attending directors unanimously agreed, no other special proposals were proposed. All items were executed.</p>		
April 18, 2024 8 th meeting of 2 nd Term	<ol style="list-style-type: none"> 1. Implementation of the 2024Q1 audit plan. 2. The proposal for the Company's 2024 Q1 consolidated financial statements. 	✓	No such circumstances
	<p>Audit Committee resolution: The chair consulted all Committee Members in attendance and the proposals were passed unanimously by the Committee Members.</p> <p>The Company's actions in response to the opinions of the Audit Committee: The chair consulted all Committee Members in attendance and the proposals were passed unanimously by the Committee Members. All attending directors unanimously agreed, no other special proposals were proposed. All items were executed.</p>		
July 30, 2024 9 th meeting of 2 nd Term	<ol style="list-style-type: none"> 1. Implementation of the 2024Q2 audit plan. 2. The proposal for the Company's 2024 Q2 consolidated financial statements. 	✓	No such circumstances
	<p>Audit Committee resolution: The chair consulted all Committee Members in attendance and the proposals were passed unanimously by the Committee Members.</p> <p>The Company's actions in response to the opinions of the Audit Committee: The chair consulted all Committee Members in attendance and the proposals were passed unanimously by the Committee Members.</p>		

Date/Term	Resolution and Follow-up Actions	Matters listed in Article 14-5 of the Securities and Exchange Act	Other resolutions passed by two thirds of all Directors but yet to be approved by the Audit Committee
	unanimously by the Committee Members. All attending directors unanimously agreed, no other special proposals were proposed. All items were executed.		
October 29, 2024 10 th meeting of 2 nd Term	<ol style="list-style-type: none"> 1. Implementation of the 2024Q3 audit plan. 2. The proposal for 2025 Annual Audit Plan. 3. To revise the Company's "Internal Control System". 4. The Proposal for the appointment of the company's Chief Internal Auditor. 5. The proposal for the Company's 2024Q3 consolidated financial statements. 6. The proposal for the earnings distribution for the first half of the Company's fiscal year of 2024. 7. The proposal for the land acquisition by the company's subsidiary, TONG HSING ELECTRONICS PHILS. INC. 8. The proposal for the company's fund lending to its subsidiary, TONG HSING ELECTRONICS PHILS. INC. 9. The proposal for the amendment of certain provisions of the company's "General Principles for Pre-Approval of Non-Assurance Services Policy". 10. The proposal for the amendment of certain provisions of the company's "Procedures for Derivatives Transactions." 	✓	No such circumstances
	<p>Audit Committee resolution: The chair consulted all Committee Members in attendance and the proposals were passed unanimously by the Committee Members.</p> <p>The Company's actions in response to the opinions of the Audit Committee: The chair consulted all Committee Members in attendance and the proposals were passed unanimously by the Committee Members. All attending directors unanimously agreed, no other special proposals were proposed. All items were executed.</p>		

B. In addition to the items in the preceding items, other resolutions passed by two-thirds of all the Directors but yet to be approved by the Audit Committee: None.

- (2) Independent Directors abstaining in certain proposals for being a stakeholder, (the name of the Independent Director(s), the content of the proposal, reasons for abstentions and the results of voting counts should be stated): None.
- (3) Independent Directors' communication with internal auditors and CPAs (including communication over the Company's financial and business status and the methods and results, etc.):

A. Frequency and method of communication:

- (A) The Company quarterly convenes the meetings of the Audit Committee and the Board of Directors. The auditor supervisor will attend every meeting of the Audit Committee and the Board of Directors and report the quarterly

internal audit business as appropriate.

- (B) When the Company convenes an Audit Committee meeting and the Board meeting quarterly for approving the financial statements, the CPAs, in addition to attending the meetings, communicate audit findings, audit quality indicators (AQI) and major regulatory updates with the independent directors on a quarterly basis.
- (C) The audit head issues monthly audit reports and submits them to the Audit Committee for review. Apart from communicating the audit findings with the independent directors on a monthly basis, the audit head irregularly catches up with the financial and business conditions of the Company.
- (D) Independent directors hold communication meetings with CPAs whenever necessary.

B. Contents and conclusions of communication:

- (A) The independent directors of the Company engaged in smooth communication on the execution and effectiveness of the audit business.

Date	Key Points in Discussion	Suggestions	Implementation Status
Audit Committee (February 29, 2024)	1. Implementation of the audit plan 2. To submit the Company's "Statement of Internal Control System". 3. To revise the Company's "Internal Control System".	None	Approved by Committee and submit to BOD meeting
Audit Committee (April 18, 2024)	1. Implementation of the audit plan.	None	Approved by Committee and submit to BOD meeting
Audit Committee (July 30, 2024)	1. Implementation of the audit plan.	None	Approved by Committee and submit to BOD meeting
Audit Committee (October 29, 2024)	1. Implementation of the audit plan. 2. The proposal for 2025 Annual Audit Plan. 3. To revise the Company's "Internal Control System".	None	Approved by Committee and submit to BOD meeting

- (B) The independent directors of the Company engaged in smooth communication with CPAs.

Date	Key Points in Discussion	Suggestions	Implementation Status
Audit Committee (February 29, 2024)	1. CPA conducted a presentation and communication for the 2023 parent-company-only and consolidated financial reports. 2. Important Statute Update.	None	Approved by Committee and submit to BOD meeting

Date	Key Points in Discussion	Suggestions	Implementation Status
Audit Committee (April 18, 2024)	1. CPA conducted a presentation and communication for the 2024 Q1 consolidated financial reports. 2. Important Statute Update.	None	Approved by Committee and submit to BOD meeting
Audit Committee (July 30, 2024)	1. CPA conducted a presentation and communication for the 2024 Q2 consolidated financial reports. 2. Important Statute Update.	None	Approved by Committee and submit to BOD meeting
Audit Committee (October 29, 2024)	1. CPA conducted a presentation and communication for the 2024 Q3 consolidated financial reports. 2. Important Statute Update.	None	Approved by Committee and submit to BOD meeting

(4) The main annual tasks and key points of the audit committee of the company are summarized:

Reviewing annual and quarterly financial reports, reviewing additions and revisions to the internal control system, and evaluating the effectiveness of the internal control system, etc.

(III) Implementation of corporate governance and the deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies", and the reasons thereof:

Evaluation item	Implementation status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons" thereof
	Yes	No	Description	
I. Does the Company establish and disclose its "Corporate Governance Best Practice Principles" based on the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"?	✓		The Company has established and published at its website the "Corporate Governance Best Practice Principles" for the purpose of implementing corporate governance and protecting shareholders' interests.	None
II. Shareholding Structure & Shareholders' Rights				
(I) Does the Company establish internal operating procedures or policies to handle shareholder suggestions, doubts disputes and lawsuits and implemented such procedures or policies?	✓		(I) The Company has appointed a spokesperson and acts as a spokesperson in accordance with the "Corporate Governance Best Practice Principles" to effectively handle shareholders' suggestions, questions, disputes and litigations. In addition, the Company has appointed KGI Securities to process related stock affairs.	None
(II) Does the Company possess a list of major shareholders and list of ultimate owners of these major shareholders?	✓		(II) The Company obtains the list of shareholders and possesses the top ten of shareholders on its website.	None
(III) Has the Company established and enforced risk control and firewall systems with its affiliate companies?	✓		(III) Business and financial dealings between the Company and an affiliate are treated as dealings with an independent third party, which are handled by the principles of fairness and reasonableness with documented rules established, and pricing and payment terms are clearly defined to prevent non-arm's-length transactions.	None

Evaluation item	Implementation status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons" thereof
	Yes	No	Description	
(IV) Has the Company adopted internal rules prohibiting company insiders from trading securities using information not disclosed to the market?	✓		(IV) The Company has adopted the "Material Information and Measures for Preventing Insider Trading", which also includes prohibiting directors from trading in their shares 30 days prior to the announcement of the annual financial report and 15 days prior to the announcement of the quarterly financial report, in addition to expressly prohibiting company insiders from trading in securities by using unpublished information in the market. Additionally, in 2024, the Company carried out training for all employees to prevent insider trading and disclosed on the Company's official website that the directors, main managers, employees and substantial controllers of the company are prohibited from obtaining improper benefits for themselves or any other person by virtue of their positions or influence in the Company. Education and training situation description, please refer to "Chapter2 III. (VII) Other significant information that will provide a better understanding of the state of the Company's implementation of corporate governance" of this annual report.	None
III. Composition and Responsibilities of the Board of Directors (I) Is the composition of the Board of Directors determined by taking appropriate policy based on diversity and ensure the actual implementation?	✓		(I) The diversity policies of the Company's Board of Directors include two aspects: basic conditions and values, professional knowledge and skills. The detailed content is: (1) at least one-third female members in the Board of Directors and (2) at least having professional background in accounting, industry, finance, marketing or technology and industrial experience in semiconductor, finance, accounting or technology. The implementation of diversity of the board, please refer to "Chapter2 I. (I) 5. (1) Diversity of the Board of Directors" of this annual report.	None

Evaluation item	Implementation status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons" thereof
	Yes	No	Description	
(II) In addition to the Remuneration Committee and Audit Committee, has the Company voluntarily established other functional committees?	✓		(II) Aside, the Company has established nomination committee and corporate sustainable development committee in order to implement the spirit of corporate governance.	None
(III) Does the Company formulate rules and procedures for the Board of Directors' performance evaluation, conduct performance evaluation on the Board of Directors on a regular basis every year, report the results of performance evaluation to the Board of Directors, and apply the results to the individual Directors' remuneration and nomination for reappointment?	✓		(III) The Company has established the "Rules for Performance Evaluation of Board of Directors" (Rules) According to the Rules, external evaluation should be appointed to implement the evaluation in three years after the approval. In 2024, the performance evaluation results of the Board of Directors were all excellent, and the evaluation results were submitted to the Board of Directors on February 27, 2025. For detailed information of the performance evaluation of the Board of Directors, please refer to "Chapter2 III. (I) 2. (3) Board of directors evaluation status" of this annual report.	None
(IV) Does the Company regularly assess on the independence of CPAs?	✓		(IV) The Company obtains a form on assessment for independence and competency of the CPA each year, and the results of the form on assessment for independence and competency of the CPA in 2024 are consistent. The results have been passed by resolution of the Board of Directors on February 27, 2025. The independence assessment items for CPAs, please refer to "Chapter2 III. (III) Note 1: CPAs' independence evaluation items." of this annual report.	None

Evaluation item	Implementation status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons" thereof
	Yes	No	Description	
IV. Has the Listed and OTC Company set up a full-time (part-time) unit or appointed designated personnel to handle governance related affairs (including but not limited to supplying information requested by the directors and supervisors, processing company registration and change of registration and preparing minutes of the board meetings and shareholders' meetings)?	✓		<p>(I) The Company has designated a Corporate Governance Office by the resolution of the Board of Directors on August 11, 2020. COO & CFO/Vice President Chai Li Huang has been appointed as the Company's Corporate Governance Officer to take charge of the corporate governance matters so as to protect the interests of the shareholders and process matters related to the Board and shareholders' meetings.</p> <p>(II) The corporate governance unit reported the business performance to the Board of Directors on October 29, 2024 ; The business execution status and training hours of the corporate governance unit, please refer to "Chapter2 III. (III) Note 2: Business execution status and continuing education hours of corporate governance units." of this annual report.</p>	None
V. Has the Company established channels of communication with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), dedicated a section of the Company's website for stakeholder affairs and adequately responded to stakeholders' inquiries on significant corporate social responsibility issues?	✓		<p>(I) The Company has set up a stakeholders' section on the Company's website and specified the contact methods of the spokesperson and businesses on the Company's website.</p> <p>(II) The Company has also disclosed the stakeholder, concerns, communication methods and channels, frequency and response methods, in order to adequately respond to the relevant issues raised by the stakeholders.</p> <p>(III) The Company reported the communication of interested parties to the Board of Directors on October 29, 2024.</p>	None
VI. Has the Company appointed a professional shareholder service agency to deal with shareholder affairs?	✓		The Company has appointed KGI Securities to process affairs related to shareholders meetings.	None

Evaluation item	Implementation status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons" thereof
	Yes	No	Description	
VII.Information Disclosure				
(I) Has the Company established a corporate website to disclose information regarding the company's financial, business, and corporate governance status?	✓		(I) Information on the Company's financial operations and corporate governance has been disclosed on the Company's website www.theil.com .	None
(II) Has the Company established any other information disclosure channels (e.g. maintaining a website in English, designating people to handle information collection and disclosure, appointing spokespersons, webcasting investors' conference, etc.)?	✓		(II) The Company has set up an investor section on its bilingual website in Chinese and English to disclose financial information and related information on investor conferences and corporate governance. A stakeholders' section has been set up to adequately respond to relevant questions.	None
(III) Has the Company announced and reported the annual financial report within two months after the end of the fiscal year, and announced and declared the financial reports of the first, second and third quarter and the operating conditions of each month before the prescribed period?	✓		(III) The declaration application of the company's 2024 annual financial report was on February 27, 2025. The reporting situation of the financial report for each quarter of 2024 is as follows: 2024Q1(April 18), 2024Q2(July 30) and 2024Q3 (October 29), all information has been announced and declared before the deadline. The monthly operation reports in 2024 were announced before the 10th of every month.	None
VIII. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, stakeholder rights, Directors' and Supervisors' training records, implementation of risk management policies and risk evaluation measures, implementation of customer policies, and participation in liability insurance by Directors and Supervisors)?				

Evaluation item	Implementation status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons" thereof
	Yes	No	Description	
(I) Employee rights and benefits	✓		(I) The Company focuses on employee rights, shows loving care for the employees, and provides the employees with a good environment that prioritize work-life balance, and reasonable benefits, including: 1. Welfare systems: distribution/allotment, bonus/gifts for festivals and holidays, various insurances and subsidies, and leave system according to the labor laws. 2. Leisure activities: domestic tours, department banquets , club activities and contracted stores, etc. 3. Working environment: all-round education and training sessions, smooth promotion channels, staff canteen, and nursing rooms, etc. 4. Job safety: motor vehicles parking spaces, dormitory, shuttle bus (Longtan Plant), health examination, and business phone.	None
(II) Staff Care	✓		(II) Canteens and a good working environment is provided; to guarantee the employee's welfare benefits. Furthermore, the Company also offers dinner banquets, education and training programs, and club activities to help employees to achieve a balance between work and life.	None
(III) Investor Relationship	✓		(III) In addition to the spokesperson system, the Company also allows the investors to access to the website of MOPS and the Company for relevant information; moreover, the Company also invites the investors to attend the Company's investor conferences every year, and learn about the quarterly operation status; and future directions.	None

Evaluation item	Implementation status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons" thereof
	Yes	No	Description	
(IV) Supplier Relationship	✓		(IV) The Company and suppliers are long-term partners. With focus on the requirements of competitive quality, delivery time and cost, the company will pay more attention to supply chain management, environmental and social aspects in the future, so as to jointly promote sustainable development.	None
(V) Stakeholders	✓		(V) The Company maintains smooth communication channels and good relationship with the stakeholders. Concerns, communication channels and response methods of the stakeholders, please refer to "Chapter2 III. (III) Note3: Stakeholder operations " of this annual report.	None
(VI) Director's continuing education	✓		(VI) All 18th term Board members have completed 6 hours training in 2024. The disclosure of training hours on MOPS and the Company website has been completed. Please refer to "Chapter2 III. (III) Note4: Director's continuing education hours in 2024" of this annual report for details of directors' continuing education hours.	None
(VII) Risk management policy and execution	✓		(VII) The company manages the risks related to the operation of related companies through monthly production and sales meetings and reports the business plan to the Board of Directors once a year to ensure the normal operation of the risk control function. In addition, in 2024, it has carried out risk identification, Measurement, communication channels and response methods; the latest date of reporting to the Board of Directors is October 29, 2024. For the Company's risk policy and assessment, please refer to "Chapter2 III. (V-I) Note 1: Risk assessment policies of the Company" of this annual report.	None

Evaluation item	Implementation status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons" thereof								
	Yes	No	Description									
(VIII) Execution of the customer service policy	✓		(VIII)The Company has appointed professional customer service personnel to provide channels for services and solutions for customers' questions, and to maintain smooth communication channels with the customers.	None								
(IX) The Company’s purpose of liability insurances for the directors	✓		(IX) The liability insurances purchased by the Company for all directors and important employees as below. <table><tr><th>The Insured</th><th>Insurance Company</th><th>Insurance Amount (Unit: USD\$)</th><th>Period of Insurance (commencement and termination)</th></tr><tr><td>All directors</td><td>Chubb</td><td>10,000,000</td><td>From February 1, 2025, to February 1, 2026</td></tr></table>	The Insured	Insurance Company	Insurance Amount (Unit: USD\$)	Period of Insurance (commencement and termination)	All directors	Chubb	10,000,000	From February 1, 2025, to February 1, 2026	None
The Insured	Insurance Company	Insurance Amount (Unit: USD\$)	Period of Insurance (commencement and termination)									
All directors	Chubb	10,000,000	From February 1, 2025, to February 1, 2026									
IX. Improvements made in the most recent fiscal year in response to the results of corporate governance evaluation conducted by the Corporate Governance Center of the Taiwan Stock Exchange Corporation, improvement measures and plans for items yet to be improved.												
<p>(I) Improved aspects:</p> <p>The Company's website and annual report have strengthened the disclosure of corporate governance information to protect shareholders' rights and enhance information transparency, and have disclosed the effectiveness of corporate social responsibility implementation, risk management-related matters, information and communications security policies and measures, intellectual property rights plans and stakeholder communication status, etc. These disclosures were reported to the Board of Directors on October 29, 2024.</p> <p>(II) Formulating "Risk Management Policy and Procedure" and assessing and report risk status to the Board of Directors annually on financial risks, environmental and climate change risks, supply chain and raw material risks, legal risks and stakeholder communication and so on, so as to ensure the normal operation of the management structure and risk control function.</p> <p>(III) The Company has been preparing Chinese and English ESG Reports in compliance with GRI Universal Standards since 2022, and starting from 2023 and continuing through 2024, an independent assurance statement from a third-party verification body has been consistently obtained.</p>												

Note 1: CPAs' independence evaluation items.

(1) Information of CPA in 2024

Name of CPA Firm	Name of CPA	Education and Positions
KPMG	I-Wen Wang	1.Department of Accounting, Soochow University 2.CPA of R.O.C
	Yu-Ting Hsin	1.Department of Business Administration, National Sun Yat-sen University 2.CPA of R.O.C

(2) The evaluation of the independence and competence of the CPAs

Item	Evaluation Results	Independence of the CPAs
(1) As of the most recent audit performed, no CPA has been changed for seven (7) consecutive years.	Yes	Yes
(2) The CPA is not involved in any significant financial interests with the Company.	Yes	Yes
(3) The CPA avoids any improper relationships with the Company.	Yes	Yes
(4) The CPA should ensure ethical conduct and independence of his/her assistants.	Yes	Yes
(5) The CPA may not perform audit and assurance services on the financial statements of companies he/she has served within two (2) years before CPA practice.	Yes	Yes
(6) The CPA may not permit others to practice under his/her name.	Yes	Yes
(7) The CPA does not own any shares of the Company or its affiliated companies.	Yes	Yes
(8) The CPA does not engage in lending or borrowing of money with the Company and its affiliated companies.	Yes	Yes
(9) The CPA and the Company or its affiliated companies are not engaged in any joint investments or profit sharing.	Yes	Yes
(10) The CPA does not engage in regular work for the Company or its affiliated companies concurrently and does not receive a fixed salary from them.	Yes	Yes
(11) The CPA is not involved in the strategy-making and management of the Company and its affiliated companies.	Yes	Yes
(12) The CPA does not concurrently engage in other businesses that may lead to the loss of his/her independence.	Yes	Yes
(13) The CPA does not have spouse, lineal relatives by blood or by marriage, or collateral relatives by blood within the second degree of kinship with the management level of the Company.	Yes	Yes
(14) The CPA does not receive any commission related to his/her service.	Yes	Yes
(15) As of now, the CPA has not engaged in any matters that may result in disciplinary actions taken against him/her or may compromise his/her independence.	Yes	Yes

The results of the evaluation of the independence and competence of the CPAs (as shown in the table above) and the detached independence statement were obtained: all meet the Company's independence and competence assessment standards. The Company also refers to the audit quality index (AQI) and prepares the accountant evaluation and performance evaluation form. The evaluation results meet the independence and suitability evaluation.

Note 2: Business execution status and continuing education hours of corporate governance units.

1.The corporate governance unit responsibilities include:

- (1) Handling matters related to the Board and the shareholders' meeting.
- (2) Preparing meeting minutes of Board and shareholders' meetings.
- (3) Assisting the directors to take office and continuing education.
- (4) Providing materials and information necessary for the directors to perform the duties.
- (5) Assisting the directors to comply with the laws and regulations.
- (6) Other matters stipulated in the Article of Incorporation or contracts.

2.Key business points in 2024 include:

- (1) Sending the data of the meetings of the Board of Directors and the Functional Committee to the directors or committee members.
- (2) Publishing major information and announcements regarding major resolutions on the date of closure of the Board and shareholders' meetings.
- (3) Conducting the relevant affairs of the shareholders' meeting according to laws.
- (4) Providing the directors with the relevant information of continuing education and completing the relevant declarations.

3.Continuing education hours of Corporate Governance Officer in 2024:

Title	Name	Continuing education date	Organizer	Class	Training Hours
COO & CFO/Vice President	Chia-Li Huang	September 06, 2024	Securities and Futures Institute of the Republic of China	2024 Insider Trading Prevention Seminar	3.0 hours
		September 30, 2024	Taiwan Stock Exchange	Taiwan Capital Market Growth Summit	3.0 hours
		October 29, 2024	Accounting Research and Development Foundation of the Republic of China	Legal Responsibilities and Case Analysis of Corporate "Control Disputes"	3.0 hours
		October 29, 2024	Accounting Research and Development Foundation of the Republic of China	Corporate ESG Practical Seminar: Legal Responsibilities and Case Studies on "Gender Equality and Human Rights"	3.0 hours

Note3: Stakeholder operations

Stakeholder	Meaning for CSC	Communication Channels or Methods	Response Methods
Employees	<ul style="list-style-type: none"> *Labor Relations *Salaries and Benefits / Labor Relations *Training and Development *Occupational Safety and Health *Company Policies and Strategies *Employee Relations 	<ul style="list-style-type: none"> *Labor-Management Meetings *Employee Welfare Committee *Internal Website and Training Course *Ad hoc Communication Meetings / Awareness Sessions *Occupational Safety and Health Committee *Suggestion Box / Monthly Meetings *Employee Performance, Health Center, Employee Cafeteria, Lounge 	<ul style="list-style-type: none"> * Hold labor-management meetings quarterly. * Provide gifts for the three festivals, employee travel, internal and external training courses, and employee health check-ups. *Offer on-site medical services and bank services.
Shareholders/ Investors	<ul style="list-style-type: none"> *Company Policies and Strategies *Corporate Governance *Company Risk Management *Business Performance / Operational Status *Dividend policy 	<ul style="list-style-type: none"> * Annual General Shareholders' Meeting *Company Website / Major Announcements / Market Observation Post System *Telephone Inquiries and Feedback Collection *Investor Conferences / Visits by Investors or Analysts *Company Website / Annual Report / Quarterly Financial Reports 	<ul style="list-style-type: none"> *Held 1 annual general shareholders' meeting. *The company website is updated irregularly. *Conducted 114 investor communications, including 66 in-person meetings, 44 conference calls, and 4 quarterly earnings calls.
Customers	<ul style="list-style-type: none"> *Process Technology *Product Quality and Responsibility *Customer Service/ Customer Relations *Product Delivery and Capacity *Integrity in Business and Ethics *Information Security *Conflict-Free Minerals Survey *Confidential Information Protection 	<ul style="list-style-type: none"> *Customer Visits / Seminars *Customer Audits / Surveys *Surveys / Declarations 	<ul style="list-style-type: none"> *Achieved customer annual audits. *Conducted customer satisfaction surveys.
Suppliers (Contractors)	<ul style="list-style-type: none"> *Supply Chain Management *Raw Material Delivery and Availability *Occupational Safety and Health *Compliance with Legal Regulations 	<ul style="list-style-type: none"> *Annual Supplier Visits or Supplier Visits to Company *On-Site Audits of Contractors *On-Site Quality Audits of Suppliers 	<ul style="list-style-type: none"> *Regular supplier visits. *Audited supplier product quality. *Evaluated waste disposal providers.
Government agencies	<ul style="list-style-type: none"> *Compliance with Various Regulations *Labor Relations *Policy Advocacy and Risk Management 	<ul style="list-style-type: none"> *Greenhouse Gas Reduction *Water Resource Management *Water and Electricity Conservation Correspondence *On-Site Audits *Labor Relations Advocacy *Disaster Prevention Advocacy *Dormitory Fire Safety Advocacy *Safety and Health Management Advocacy 	<ul style="list-style-type: none"> *Submitted reports regularly as required by law. *Attended government briefings. *Conducted 173 labor law advocacy sessions. *Conducted 61 disaster prevention law advocacy session.
Banks	<ul style="list-style-type: none"> *Business Performance / Operational Status, Innovative Product Services 	<ul style="list-style-type: none"> *Telephone or Written Inquiries, Regular Feedback Collection *Interviews 	<ul style="list-style-type: none"> *Communicated with banks regarding sustainable finance and investment. *Shared company profit performance data.
Society/Public	<ul style="list-style-type: none"> *Compliance with Environmental Regulations *Environment and Occupational Safety and Health *Public Welfare Activities 	<ul style="list-style-type: none"> *Regular Audits *Suggestion Box/Complaint Channels *Public Service Ads/Blood donation 	<ul style="list-style-type: none"> *Conducted 4 blood donation drives
Academic Institutions	<ul style="list-style-type: none"> *Corporate Social Responsibility and Social Participation 	<ul style="list-style-type: none"> *Industry-Academia Collaboration 	<ul style="list-style-type: none"> *Partners included: Industrial Technology Research Institute, National Central University, National Tsing Hua University.

Note 4: Director's continuing education status in 2024

Title	Name	Continuing Education Date	Organizer	Class	Training Hours
Director	Tie-Min Chen	October 29, 2024	Accounting Research and Development Foundation of the Republic of China	Corporate ESG Practical Seminar: Legal Responsibilities and Case Studies on "Gender Equality and Human Rights"	3.0 hours
		October 29, 2024	Accounting Research and Development Foundation of the Republic of China	Legal Responsibilities and Case Analysis of Corporate "Control Disputes"	3.0 hours
Representative of Juristic- person Director	Hsi-Hu Lai	October 29, 2024	Accounting Research and Development Foundation of the Republic of China	Corporate ESG Practical Seminar: Legal Responsibilities and Case Studies on "Gender Equality and Human Rights"	3.0 hours
		October 29, 2024	Accounting Research and Development Foundation of the Republic of China	Legal Responsibilities and Case Analysis of Corporate "Control Disputes"	3.0 hours
Representative of Juristic- person Director	Chia-Li Huang	September 06, 2024	Securities and Futures Institute of the Republic of China	2024 Insider Trading Prevention Seminar	3.0 hours
		September 30, 2024	Taiwan Stock Exchange	Taiwan Capital Market Growth Summit	3.0 hours
		October 29, 2024	Accounting Research and Development Foundation of the Republic of China	Corporate ESG Practical Seminar: Legal Responsibilities and Case Studies on "Gender Equality and Human Rights"	3.0 hours
		October 29, 2024	Accounting Research and Development Foundation of the Republic of China	Legal Responsibilities and Case Analysis of Corporate "Control Disputes"	3.0 hours
Representative of Juristic- person Director	Pen-Chi Chen	July 3, 2024	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6.0 hours
		October 29, 2024	Accounting Research and Development Foundation of the Republic of China	Corporate ESG Practical Seminar: Legal Responsibilities and Case Studies on "Gender Equality and Human Rights"	3.0 hours
		October 29, 2024	Accounting Research and Development Foundation of the Republic of China	Legal Responsibilities and Case Analysis of Corporate "Control Disputes"	3.0 hours
Representative of Juristic- person Director	Shu-Chen Tsai	October 29, 2024	Accounting Research and Development Foundation of the Republic of China	Corporate ESG Practical Seminar: Legal Responsibilities and Case Studies on "Gender Equality and Human Rights"	3.0 hours
		October 29, 2024	Accounting Research and Development Foundation of the Republic of China	Legal Responsibilities and Case Analysis of Corporate "Control Disputes"	3.0 hours

Title	Name	Continuing Education Date	Organizer	Class	Training Hours
Representative of Juristic- person Director	Shu-Hwei Chen	December 5-6, 2024	Accounting Research and Development Foundation of the Republic of China	Continuing training courses for accounting supervisors of issuers, securities companies and stock exchanges	12.0 hours
Independent Director	Ta-Sheng Chiu	October 29, 2024	Accounting Research and Development Foundation of the Republic of China	Corporate ESG Practical Seminar: Legal Responsibilities and Case Studies on "Gender Equality and Human Rights"	3.0 hours
		October 29, 2024	Accounting Research and Development Foundation of the Republic of China	Legal Responsibilities and Case Analysis of Corporate "Control Disputes"	3.0 hours
		November 8, 2024	Taipei Foundation of Finance	Corporate Governance – 2026 Corporate Sustainability Transition: TNFD Strategic Deployment and Biodiversity Opportunities	3.0 hours
Independent Director	Yueh-Hsiang Tsai	November 29, 2024	Taiwan Project Management Association	Training Program for Directors of Listed Companies – Corporate Trade Secret Protection: Legal Framework and Case Studies	3.0 hours
		December 17, 2024	Taiwan Project Management Association	Training Program for Directors of Listed Companies – Applications of Generative AI and ChatGPT	3.0 hours
Independent Director	Chin-Tsai Chen	April 29, 2024	Taiwan Corporate Governance Association	The New Era of Artificial Intelligence: How ChatGPT is Transforming Industry Trends	3.0 hours
		June 19, 2024	Taiwan Institute of Directors	Exploring the International Competitiveness of Taiwanese Enterprises in the Global Competitive Landscape	3.0 hours
		August 9, 2024	Taiwan Corporate Governance Association	Code of Ethical Business Conduct and How to Avoid Crossing the Red Line of Director and Supervisor Responsibilities	3.0 hours

(IV) Composition and operations of the Remuneration Committee or Nomination Committee

1. Remuneration Committee

(1) Information of Remuneration Committee member:

There are three members in the Remuneration Committee of the Company. The Remuneration Committee of the Company consists of 3 independent directors. Please refer to "Chapter 2 I. (I) 4. Professional qualifications of Directors and the independence of independent directors." of the annual report for the professional qualifications, experience and independence of each member.

(2) Operations of Remuneration Committee:

The tenure of 5th Term Remuneration Committee is from June 8, 2022, to June 7, 2025. A total of 3 meetings of Remuneration Committee were held in 2024 (A). The attendance status of independent directors was as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Attendance Rate (%) (B)/(A)	Remarks
Convener	Chin-Tsai Chen	3	0	100	
Committee Member	Ta-Sheng Chiu	3	0	100	
Committee Member	Yueh-Hsiang Tsai	3	0	100	

(3) Other matters:

- A. If the Board of Directors chooses not to adopt or revise recommendations proposed by the Nominating Committee, the date of the Board Meeting, sessions, the contents discussed, results of meeting resolutions, and the Company's disposition of opinions provided by the Nominating Committee shall be described in detail: None.
- B. For resolution(s) made by the Remuneration Committee with the Committee members voicing opposing or qualified opinions on the record or in writing, please state the meeting date, term, contents of proposal, and opinions of all members and the Company's handling of said opinions: None.

The meetings of the Remuneration Committee held in 2024 are summarized as follows:

Date/Term	Resolution	Resolution of the Meeting of the Remuneration Committee	The Company's Response to the Remuneration Committee's Opinions
January 26, 2024 3 rd meeting of 5 th Term	1. The proposal for the Company's 2023 year-end bonus distribution for main managers.	Proposal passed without objections from all present committee members.	Approved by all directors present unanimously.
February 29, 2024 4 th meeting of 5 th Term	1. The proposal for the 2023 distribution of employee & directors compensation.	Proposal passed without objections from all present committee members.	Approved by all directors present unanimously.
October 29, 2024 5 th meeting of 5 th Term	1. The proposal for the 2023 distribution of employee & main managers compensation.	Proposal passed without objections from all present committee members.	Approved by all directors present unanimously.

2. Nominating Committee :

(1) Information of Nominating Committee member:

There are three members in the Nominating Committee of the Company. The Nominating Committee of the Company consists of 3 independent directors. Please refer to "Chapter 2 I. (I) 4. Professional qualifications of Directors and the independence of independent directors." of the annual report for the professional qualifications, experience and independence of each member.

(2) Operations of Nominating Committee:

The tenure of 2nd Nomination Committee is from June 8, 2022, to June 7, 2025. A total of 1 meetings of the Remuneration Committee were held in the 2024 (A). The attendance status of the Remuneration Committee members was as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Attendance Rate (%) (B)/(A)	Remarks
Convener	Chin-Tsai Chen	1	0	100	
Committee Member	Ta-Sheng Chiu	1	0	100	
Committee Member	Yueh-Hsiang Tsai	1	0	100	

(3) Other matters:

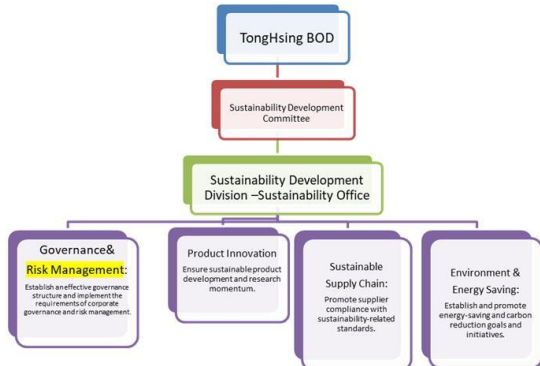
A. If the Board of Directors chooses not to adopt or revise recommendations proposed by the Nominating Committee, the date of the Board Meeting, sessions, the contents discussed, results of meeting resolutions, and the Company's disposition of opinions provided by the Nominating Committee shall be described in detail: None.

B. For resolution(s) made by the Nominating Committee with the Committee members voicing opposing or qualified opinions on the record or in writing, please state the meeting date, term, contents of proposal, and opinions of all members and the Company's handling of said opinions: None

The meetings of the Nominating Committee held in 2024 are summarized as follows:

Date/Term	Resolution	Resolution of the Meeting of the Nominating Committee	The Company's Response to the Nominating Committee's Opinions
February 29, 2024 2 st meeting of 2 nd Term	1. The results of the board performance evaluation in 2023.	Proposal passed without objections from all present committee members.	Approved by all directors present unanimously.

(V-I)Performance of sustainable development responsibility and differences between the performance and " Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies " and reasons thereof.

Assessment Item	Implementation Status			Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Description	
I. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the Board of Directors authorized senior management to handle related matters under the supervision of the board?	✓		<p>(I) The Company established the Sustainable Development Committee in 2022. The Committee is led by senior management, which was authorized by the Board of Directors, and serves as the core organization for implementing ESG initiatives. The Committee is chaired by the President, and a dedicated Sustainable Development Division has been established. Within this division, the Sustainability Office functions as the executive unit responsible for coordinating and implementing the Company's sustainability-related matters. The structure of the Sustainability Development Committee is as follows:</p>  <pre> graph TD BOD[TongHsing BOD] --> SDCommittee[Sustainability Development Committee] SDCommittee --> SDDivision[Sustainability Development Division - Sustainability Office] SDDivision --> GRM[Governance & Risk Management] SDDivision --> PI[Product Innovation] SDDivision --> SSC[Sustainable Supply Chain] SDDivision --> EES[Environment & Energy Saving] </pre> <p>(II) The composition, operation and implementation of the Sustainability Office members in the current year:</p> <ol style="list-style-type: none"> 1. The Sustainability Office is a full-time unit with one associate vice President and two 	None

Assessment Item	Implementation Status			Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Description	
			<p>administrators who coordinates and promotes sustainable development operation.</p> <p>2. Sustainability Report: The Sustainability Office convenes the Corporate Governance and Risk Group (Finance/Accounting/Audit/Legal Affairs/Information Security/Human Resources), Product Innovation Group (R&D/Engineering), Environmental Energy Saving Group (Plant Affairs/ General Affairs/Occupational Safety and Health), and Sustainable Supply Chain Team (Procurement/Quality Control/Logistics Customs Affairs/Sales) to investigate issues of concern to stakeholders, communicate with stakeholders, formulate risk management policies, and publicly disclose implementation performance to comply with international standards such as GRI and SASB so as to prepare sustainability reports. In addition, after obtaining third-party certification and independent assurance statements, the Office regularly issue Chinese and English versions of the sustainability reports every year.</p> <p>3. Greenhouse Gas Inventory: The Sustainability Office coordinates each plant to investigate water consumption, electricity consumption and the total weight of waste produced every quarter, sets water saving, energy saving and pollution prevention</p>	

Assessment Item	Implementation Status			Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Description	
			<p>improvement targets and reduction targets, and reviews the implementation status at the end of the year. Then, targets for the next year are set, and ISO14064-1:2018 organization greenhouse gas inventory in Q1 of each year is launched to calculate the Scopes 1, 2, and 3 carbon emissions of each plant. In the middle of each year, after the third-party certification body has certified the accuracy of the data, the certification obtained is publicly disclosed in the sustainability report and the Company's website.</p> <p>(III) Supervision of sustainable development by the Board of Directors: The Board of Directors is responsible for formulating the sustainable development strategy and overseeing the implementation of sustainability-related activities by the Sustainability Committee and the Sustainability Office, and reviewing progress and results on a quarterly basis. The specific management guidelines set for this year include reducing water, electricity and waste, and setting a 2% decrease in water savings or a 2% increase in recycled water, a 2% electricity saving and a 5% waste reduction as sustainable environmental management indicators. The board of directors has incorporated the above environmental and energy-saving indicators and ESG assessment results into the link between main managers' KPI performance and remuneration. To make sure the goals are met, a</p>	

Assessment Item	Implementation Status			Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Description	
			<p>performance grading system was set up: hitting all three goals gets an A+, two gets an A, one gets a B, and if none are met, it's a C. The board of directors reviews and makes adjustments based on performance results.</p> <p>The most recent report date is October 29, 2024. The Board of Directors puts forward suggestions and policies on the implementation of promoting sustainable development, and the Sustainable Development Committee develops follow-up implementation plans based on the Board of Directors' suggestions.</p>	
II. Does the Company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the Company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	✓		<p>An annual risk assessment is conducted to identify strategies for mitigating risks that may affect the Company's operations based on the materiality and probability of the risks. Units responsible are in charge of evaluating, reporting, and implementing response plans within their respective areas of responsibility to minimize potential risks and continue the improvement.</p> <p>The Sustainable Office identifies the environmental, social, and corporate governance risks and develops effective strategies and practices for managing and controlling them ,please refer to "Chapter2 III. (V-I) Note 1: Risk assessment policies of the Company" and "Chapter4 IV. Disbursements for Environmental Protection"of this annual report.</p>	None
III. Environmental issues (I) Has the Company set an environmental management system designed to industry characteristics?	✓		(I) The Company has established the Environmental Safety and Health Management Regulations which are in compliance with relevant regulations and has	None

Assessment Item	Implementation Status			Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Description	
(II) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	✓		also obtained ISO-14001 Environmental Management System certification, which is valid until December 30 2027. (II) The primary source of energy for the Company is purchased electricity from Taiwan Power Company. In terms of energy management, we have dedicated units responsible for reducing energy consumption. We take a 2% absolute annual reduction for each plant as a management metric and review the electricity usage of each plant quarterly. In 2023, we initiated solar roof power generation projects at Longtan Plant and Bade Plant, with the aim of improving the efficiency of renewable energy utilization, please refer to "Chapter4 IV. Disbursements for Environmental Protection" of this annual report.	None
(III) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	✓		(III) The Company has conducted a risk assessment of the impact of climate change on the Company and formulate measures to mitigate the impact, please refer to "Chapter4 IV. Disbursements for Environmental Protection" of this annual report.	None
(IV) Did the Company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	✓		(IV) In the past two years, the Company compiles monthly statistics on water consumption, electricity consumption, and total weight of waste, and sets improvement goals and schedules to achieve energy conservation, carbon emissions reduction, and cost reduction. The Company reviews the execution effect at the end of every year, and sets the goals of the next year please refer to "Chapter4 IV. Disbursements for Environmental Protection" of this annual report.	None

Assessment Item	Implementation Status			Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Description	
IV. Social issues				
(I) Has the Company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	✓		(I) The Company supports and follows the United Nations "Universal Declaration of Human Rights", the United Nations "World Covenant", the "ILO Conventions of the International Labor Organization" and other human right conventions recognized by the international community, the "Responsible Business Alliance (RBA) Code of Conduct" and related rules. It establishes working rules and the related management measures to implement the laws and regulations, safeguard the rights and interests of employees, ensure humanitarian treatment and anti-discrimination protection. For detailed management procedures, please refer to "Chapter4 V. Labor Relations" of this annual report.	None
(II) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	✓		(II) The Company adjusts the "Measures on Salary Standards for New Employees" with reference to the industry level. The "Measures for Payment of Performance Bonus" will be applied to the adjustment according to the correlation between the Company's business performance and employees' salary every year. For details of employee welfare measures, please refer to "Chapter4 V. Labor Relations" of this annual report.	None
(III) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	✓		(III) The Company establishes an environmentally friendly, safe and healthy workplace, and obtains ISO-45001 Occupational Safety and Health Management System Certification, which is valid until December 30, 2027, in accordance with the requirements of the environmental protection, occupational safety, fire protection and other related laws and regulations, and the safety risk	None

Assessment Item	Implementation Status			Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Description	
(IV) Has the Company established effective career development training programs for employees?	✓		<p>evaluation results. In addition, the Company organizes regular health examination for employees and fire drills from time to time to familiarize employees with emergency response plans and procedures and minimize the impact of such emergencies on them.</p> <p>For the protection of the work environment and personal safety of employees, please refer to "Chapter4 V. Labor Relations"of this annual report.</p> <p>(IV) The Company formulates the annual education and training programs and professional training courses in accordance with the annual business strategies, new policies, laws and regulations, and job function requirements, such as external training courses for professional skills, online education training, presentation skills and English language continuing education, so as our employee cultivate their future development in their job with sound education and training system. For details of employee education and training measures, please refer to "Chapter4 V. Labor Relations" of this annual report.</p>	None
(V) Does the Company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	✓		<p>(V) The Company provides process and services by following the customer requirements, relevant laws and regulations, and international standards, and has passed verification of the following standards to protect the right and interest of the consumers and customers;</p> <p>1. ISO14064-1:2018 Organizational GHG Inventory Certification</p>	None

Assessment Item	Implementation Status			Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Description	
(VI) Has the Company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	✓		<p>2. ISO27001:2022 Information Security Management System Certification</p> <p>3. ISO 9001 Quality Management System Certification</p> <p>4. ISO/TS 16949 Automobile Quality Management System Certification</p> <p>5. ISO 14001 EMS Certification</p> <p>6. OHSAS18001 Safety and Health Management System Certification</p> <p>7. ISO 13485:2016 – Medical Devices Quality Management System Standard</p> <p>8. ISO 45001:2018 – Occupational Health and Safety Management System</p> <p>(VI)The Company has implemented the "Supplier Management Procedure", which mandates both existing and new suppliers to complete the "Letter of Commitment of Tong Hsing Electronics Supplier for the Code of Ethics". Additionally, new suppliers are obligated to sign the "Notice of Social Responsibility Policy Advocacy" to demonstrate their compliance with and endorsement of this policy. In the future, the Company will pay more attention to supply chain management, environment and society and other aspects in order to cultivate partners with sustainable development.</p>	None
V. Does the Company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?	✓		The Company has complied sustainable reports in compliance with international standards. The reports adheres to SASB, GRI 2021, and the Accountability Principles AA1000 Type 1 Moderate Level of Assurance, in alignment with the United Nations Sustainable Development Goals as well as the "Sustainable Development Best Practice Principles for	None

Assessment Item	Implementation Status			Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Description	
			TWSE/TPEX Listed Companies", and conducting third-party verification annually to obtain assurance opinions.	
VI. If the Company has established the "Corporate Social Responsibility Best Practice Principles" based on the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies", please describe any discrepancy between the Principles and the implementation: The Company passed the "Code of Practice for Sustainable Development" on August 11, 2022, in accordance with the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies".				
VII. Other important information to facilitate better understanding of the Company's CSR practices: Please refer to "Chapter4 IV. Disbursements for Environmental Protection" and "Chapter4 V. Labor Relations" of this annual report.				

Note 1: Risk assessment policies of the Company

Material Topic	Evaluation Item	Risk Management Strategy					
Environment	Climate Change	In accordance with the guidelines of the Task Force on Climate-Related Financial Disclosures (TCFD) of the Financial Stability Board (FSB), we have utilized appropriate models to estimate the effects of climate change. The volatile fluctuations in rainfall patterns and climate models have the potential to cause operational disruptions, such as flooding, in our plant facilities. To assess the risks in our different plant facilities, we have performed a financial impact evaluation using scenario simulations based on the 1.5°C and 2°C scenarios.					
		Physical Risk	SSP1-2.6 Scenario		SSP3-7.0 Scenario		
		Rising Temperature Scenario	1.5°C		2°C		
		Data on sea level rising around Taiwan	30 cm		50 cm		
		Annual total rainfall in Taiwan	12%		14% -> 15%		
		Average annual increase in maximum 1-day rainfall intensity	15.7%		18% -> 20%		
		Rainfall scenario assumption	Assuming there are no operational incidents that will affect the operation of plant facilities before 2030 Assuming there is one operational incident that will affect the operation of plant facilities before 2050		Assuming there are no operational incidents that will affect the operation of plant facilities before 2030 Assuming there are two operational incidents that will affect the operation of plant facilities before 2050		
		Potential financial impacts for each plant area	Taipei/Longtan/Zhubei Bade/The Philippines The terrain is elevated and has no impact in all plants		Taipei/Longtan/Zhubei Bade/The Philippines The terrain is elevated and has no impact in all plants		
		Plant	Taipei Plant	Longtan Plant	Bade Plant	Zhubei Plant	Philippine Plant
		The elevation above sea level of the lowest point of the plant buildings	10,600cm	24,100cm	12,000cm	2,250cm	13,100 cm
		Height of plant buildings	36m above ground level 6.6m beneath ground level	38.5m	49.98m	26.55m	15.30 m
		Names of the sea area closest to the plants	Zhuwei Fishing Harbor	Yong'an Fishing Harbor	Zhuwei Fishing Harbor	Nanliao Fishing Harbor	Port of Manila
Environment	Energy Resources	Each factory has implemented the ISO14001 management system, which includes a recycling water system and proper disposal of process waste in accordance with legal procedures. The materials used meet the requirements of the RoHS and REACH regulations of the European Union. We prioritize local procurement as much as possible and are gradually replacing outdated equipment with new, high-performance models, as part of our commitment to establishing a circular economy. The solar rooftop power generation project was launched at the Longtan plant in 2023 and at the Bade plant in 2024, with the					

Material Topic	Evaluation Item	Risk Management Strategy
		goal of increasing the use of renewable energy. We are dedicated to creating a regenerative process in our operations, minimizing negative impacts on the community, environment, and natural resources while ensuring public health and safety.
Society	Occupational Health and Safety	Each factory has implemented ISO 45001:2018 and complied with the requirements of the occupational health and safety management system in order to prevent work-related injuries and illnesses. By providing proactive training and enhancing occupational health and safety performance, our goal is to prevent operational disruptions and casualties resulting from industrial accidents. There were no industrial accidents reported in 2024.
	Human Rights	In accordance with the United Nations Universal Declaration of Human Rights, we adhere to RBA commitments regarding labor, health and safety, the environment, and ethics. We have established management responsibilities and conduct regular inspections to monitor compliance with applicable laws and customer demands. We also conduct risk assessments and implement risk management measures. Performance objectives are established and regularly evaluated. Additionally, we have developed training programs and communication procedures with the employees. There have been no incidents of human rights violations or discrimination in 2024.
	Labor Relations	Employee hiring complies with the Labor Standards Act: 1. Hold labor-management meetings quarterly. 2. There were no incidents of forced labor or confiscation of identifications in 2024.
Corporate Governance	Ethical Corporate Management and Business Ethics	As the dedicated unit responsible for promoting ethical corporate management, the Company's corporate governance unit regularly reports to the Board of Directors on the achievements of ethical corporate management and the prevention of unethical practices. The unit also provides updates on the implementation of these measures, which are as follows: 1. The Code of Business Conduct provides employees with specific guidelines to follow when carrying out their duties, including measures to prevent conflicts of interest. 2. "Procedures for Handling Material Inside Information and Preventing Insider Trading" has been formulated. 3. In 2024, the Company had no incidents of corruption, anti-competitive behaviors, anti-trust and monopoly practices. 4. According to the "Regulations for Whistle-blowing System", there is an independent channel for reporting complaints/grievances, which is published on the Company's website. There were no reported complaints/grievances in 2024.
	Finance	In accordance with the Climate Change Response Act, carbon fees will be levied based on the Regulations Governing the Collection of Carbon Fees. In 2024, the Company's total direct and indirect emissions did not reach Taiwan's carbon fee threshold of 25,000 metric tons of CO ₂ e. However, considering global trends and the risk of a lower threshold in the future, the Company has already developed carbon reduction goals and strategies in phases for reducing emissions.
	Information Security	In the fourth quarter of 2021, the Information Security Office was established, and an information security management representative and dedicated information security personnel were appointed. The office complies with ISO27001 standards and implements effective measures in the classification of confidential information in order to protect the information assets of the Company. A total of 2,409 hours was dedicated to information security education and training courses in 2024.

(V-II) Climate-related information for TWSE/TPEX listed companies

1. Climate-related Information of the Company and Its Implementation Status

Item	Implementation Status
(1) Describe the supervision and governance of climate-related risks and opportunities implemented by the Board of Directors and the management.	The highest decision-making body for risk management is the Company's Board of Directors. Climate change risks have been integrated into the Company's overall risk management process since 2022. The Board of Directors actively participates in formulating climate-related policies and overseeing their implementation. This includes identifying and formulating risk strategies in various aspects of the Company. These measures ensure that Tong Hsing can effectively respond to and adapt to climate-related risks and opportunities. Climate risk identification follows the TCFD framework, and based on the results, each units develops, integrates, and manages response strategies.
(2) Describe how the identified climate risks and opportunities will affect the Company's business, strategies, and finances (in the short term, medium term, and long term).	In relation to the development of the business landscape, the management has identified the following climate risks that are deemed to have a significant impact on the Company: Rising raw material costs, changes in rainfall patterns, extreme changes in climate patterns, and the carbon tax. Risks that are likely to occur in the short term (within 3 years) are the following physical risks: Changes in rainfall patterns and extreme changes in climate patterns, reinforced reporting obligations of greenhouse gas emissions, and rising raw material costs. Potential risks that may occur in the medium to long term (in 3-10 years or later): In response to climate-related laws and regulations, the government may actively promote low-carbon manufacturing processes. Investors and regulatory agencies are increasingly focusing on the transparency of climate-related information disclosed in financial statements, which further intensifies the pressure for transformation. In terms of market opportunities, the primary potential opportunities include the utilization of low-carbon energy, the reduction of water and electricity consumption, changes in consumer preferences, and the growth of low-carbon products and services. These opportunities are anticipated to emerge in the medium to long term.
(3) Describe the financial implications of extreme weather events and transformation actions.	Extreme weather conditions have the potential to cause operational disruptions, prevent employees from coming to work, or result in flooding and property damage in the plants. Prolonged high temperatures will lead to increased electricity costs. The transformation actions taken in response to climate change, such as replacing equipment to reduce carbon emissions or choosing more expensive waste disposal methods, may result in the loss of customers due to the future tax burden imposed by the EU's carbon Border Adjustment Mechanism (CBAM), which will internalize external costs. In addition, financial institutions assess climate finance performance when deciding to invest and giving out loans, and failure to meet their requirements may have a negative impact on the Company.

Item	Implementation Status	
(4) Describe how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.	By implementing risk identification, assessment, monitoring, reporting, and disclosure procedures, we aim to control the extent of operational risks and take necessary measures to manage them. Moving forward, we will further improve the documentation of risk management procedures and their execution outcomes. We will also provide annual reports on the risk status to the Board of Directors to ensure the smooth functioning of the management framework and risk control functions.	
(5) If scenario analysis is employed to assess resilience to climate change risks, it is imperative to provide an explanation of the context, parameters, assumptions, analysis factors, and significant financial impacts.	According to the final draft of the IPCC Climate Change Sixth Assessment Report (AR6) Working Group I, the information on climate change estimation in Taiwan is summarized in the scientific highlights excerpt of the IPCC AR6 report and the updated analysis report on climate change in Taiwan. For details on scenarios, parameters, assumptions, analysis factors, and significant financial impacts, please refer to page 63 of the 2023 Sustainability Report.	
(6) If there is a transformation plan to manage climate-related risks, describe the content of the plan, and the metrics and targets used to identify and manage physical and transition risks.	Management of Metrics and Targets of Physical and Transition Risks	
	Issue	Description of the Current Situation
	(1) Disclosure of the metrics used by the organization to assess climate-related risks and opportunities as part of its strategy and risk management processes	Based on the strategies and risk management process outlined above, Tong Hsing has identified the necessary immediate measures and future tracking metrics. Metrics have been established for each risk and opportunity to enable the mechanisms of quantitative tracking and management.
	(2) Disclosure of greenhouse gas emissions and associated risks in Scopes 1, 2, and 3	From 2023, the Company completed the third-party certification of greenhouse gas emissions in accordance with ISO14064-1 for each plant. Then, we will continue to collect data related to carbon emissions using the established method and establish reduction targets for greenhouse gas emissions.
	(3) Describe the targets that the organization employs to manage climate-related risks and opportunities, as well as the performance in implementing these targets.	In light of the global net zero emissions initiative and the forthcoming carbon border tax mechanism in Western countries, Tong Hsing is prioritizing digital transformation and offering products and solutions in the areas of energy storage, energy conservation, and renewable energy. After conducting the first climate-related financial assessment in 2023, the Company will progressively establish management metrics and targets to formulate corresponding action plans.
(7) If internal carbon pricing is used as a planning tool, it is imperative that the method for determining the price be described.	Currently unavailable, as internal carbon pricing is currently under development.	
(8) If climate-related targets are set, it is imperative to provide clear description of the activities that will be covered, the scope of greenhouse gas	The Company is not a significant carbon emitter and is currently unaffected by climate warming or rising sea levels due to its high elevation. As a result, there are currently no climate-related targets, and no carbon offset or renewable energy certificates have been utilized in the past two years.	

Item	Implementation Status
emissions, the planning schedule, and the annual progress information. If carbon offsetting or renewable energy certificates (RECs) are utilized to meet these targets, it is imperative to specify the source and quantity of carbon offset or the quantity of RECs.	
(9) Inventory of greenhouse gases, assurance status, reduction targets, strategies, and specific action plans.	The organizational greenhouse gas inventory for the year of 2024, in accordance with ISO14064-1:2018, has been verified by the third-party TUV NORD, and the Company has obtained a statement of assurance.

1-1 Greenhouse gas inventory and assurance status for the past two years

1-1-1 Greenhouse gas inventory information

The Company conducted an inventory following the ISO 14064-1:2018 standard. The inventory was verified by a third-party organization. The organizational boundary was set with 100% control, and the data scope was from January 1, 2024 to December 31, 2024. The boundaries are Taipei Plant, Longtan Plant, Zhubei Plant, Bade Plant and the Philippine subsidiary. The Scope1 and Scope 2 greenhouse gas emissions amount is 64,623.6799 tons of CO2 equivalent. The comparison for the past two years is as follows:

Year	2023	2024
Scope1 and Scope 2 Greenhouse Gas Emissions Amount	63,598.7188	64,623.6799
Scope1 and Scope 2 Greenhouse Gas Emissions Intensity (CO2e per million New Taiwan dollars)	5.49	5.28

Amount of Greenhouse Gas Emissions (Tons of CO2e)			
Scope		2023	2024
1. Parent Company	Scope1 Direct Greenhouse Gas Emissions Amount	547.2647	444.8323
	Scope2 Indirect Greenhouse Gas Emissions Amount	48,269.8368	45,594.4517
	Subtotal	48,817.1015	46,039.2840
2. Consolidated Subsidiaries	Scope1 Direct Greenhouse Gas Emissions Amount	170.7105	318.8271
	Scope2 Indirect Greenhouse Gas Emissions Amount	14,610.9067	18,265.5668
	Subtotal	14,781.6172	18,584.3939
Total (1. + 2.)	Total	63,598.7188	64,623.6779
	Intensity (tCO2e / million NTD revenue)	5.49	5.28

1-1-2 Greenhouse gas assurance information

Assurance Scope		Amount of Greenhouse Gas Emissions (Tons of CO ₂ e)	
		2023	2024
1. Parent Company	Scope1 Direct Greenhouse Gas Emissions Amount	547.2647	444.8323
	Scope2 Indirect Greenhouse Gas Emissions Amount	48,269.8368	45,594.4517
	Subtotal	48,817.1015	46,039.2840
	Percentage of Data Verified in Section 1-1-1	100%	100%
2. Consolidated Subsidiaries	Scope1 Direct Greenhouse Gas Emissions Amount	170.7105	318.8271
	Scope2 Indirect Greenhouse Gas Emissions Amount	14,610.9067	18,265.5668
	Subtotal	14,781.6172	18,584.3939
	Percentage of Data Verified in Section 1-1-1	100%	100%
Total (1. + 2.)	Total	63,598.7188	64,623.6779
Assurance Organization		TUV NORD Taiwan Co., Ltd.	TUV NORD Taiwan Co., Ltd.
Assurance Standards		ISO 14064-1 : 2018 ISO 14064-3 : 2019	ISO 14064-1 : 2018 ISO 14064-3 : 2019
Assurance Opinion		Reasonable Assurance Level ; Materiality 5%	Reasonable Assurance Level ; Materiality 5%

1-2 Reduction targets for greenhouse gases, strategies, and specific action plans

Reduction Targets and Strategies	The Company has continuously implemented energy-saving plans for electricity use and increased the use of renewable energy. The base year is expected to be 2024, with Scope 1 and Scope 2 emissions as the focus. There will be a 2% reduction in 2025 to 2026 compared to the base year. From 2027 to 2030, there will be an annual reduction of 4-8% compared to the base year, resulting in a total carbon reduction of 30% by mid-2030.
Specific Action Plans	<p>We continue to use the electricity saving rate (kWh) of each plant and the energy-saving measures as management indicators, requiring a year-on-year reduction. This includes replacing outdated equipment, promoting energy-saving awareness, purchasing high-efficiency equipment, and establishing a circular economy model.</p> <p>TongHsing completed the installation of a solar rooftop power generation system at the Longtan plant in 2023 and at the Bade plant in 2024. We aim to increase the proportion of renewable energy usage and will continue optimizing and managing energy consumption to achieve environmental protection goals through energy conservation and carbon reduction.</p>
Achievement of Emission Reduction Targets	In 2024, the Company's electricity consumption totaled 95,551,248 kWh, a decrease of 1,385,273 kWh compared to 2023. However, electricity consumption by subsidiaries increased from 21,395,322 kWh in 2023 to 25,640,870 kWh in 2024. The Company will continue to promote energy-saving initiatives to its subsidiaries and further increase the use of renewable energy.

(VI) Implementation of ethical corporate management and difference between the "Ethical Corporate Management Best Practice Principles and the Implementation for TWSE & TPEX Listed Companies" and reasons.

Assessment Item	Implementation Status			Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Description	
I. Establishment of Ethical Corporate Management Policies and Programs				
(I) Has the Company established the ethical corporate management policies approved by the Board of Directors and specified in its rules and external documents the ethical corporate management policies and practices and the commitment of the Board of Directors and senior management to rigorous and thorough implementation of such policies?	✓		(I) The Company has established the "Code of Ethical Corporate Management" and disclosed it at the Company's website. The Company's ethical corporate management policies, commitment from the Board and the management and their implementation, such as the number of training hours, etc., are explained in the annual report.	None
(II) Has the Company established a risk assessment mechanism against unethical conduct, analyzed and assess on a regular basis business activities within its business scope which are at a higher risk of being involved in unethical conduct, and established prevention programs accordingly, which shall at least include the preventive measures specified in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"?	✓		(II) The Company irregularly collects cases of unethical conduct behavior and evaluates the degree of effect of the risk to the Company and set up the countermeasures. According to the "Code of Ethical Conduct", the following precautionary measures are taken: 1. To implement the policy, the "Measures for the Administration of the whistle-blowing System" was formulated to provide internal and external whistle-blowing channels against breach of integrity and disclosed on the Company website. 2. To implement the Code of Ethical Conduct, the Legal Affairs is responsible for the management and evaluation of business secrets, patents and other intellectual property rights. 3. The Company's corporate governance unit provides education and training to all	None

Assessment Item	Implementation Status			Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Description	
(III) Has the Company provided any solutions to prevent the unethical conducts, stipulate the definite procedures, conduct guidelines, punishment for violation as well as appeals system and put into practice, and review and revise on a regular basis the aforesaid solutions?	✓		employees annually to promote the ethical corporate management policy, whistle blower reporting channels, reward and punishment system, material information and prevention of insider trading. (III) The Company formulated "Measures for the Administration of the whistle-blowing System" and "Service Discipline and Measures for Reward and Punishment" to implement the prevention of dishonesty and review the need for adjustment on an annual basis.	None
II. Fulfillment of Integrity Policy				
(I) Has the Company evaluated business partners' ethical records and include ethics-related clauses in business contracts?	✓		(I) The Company operates business based on ethic and has assessed whether there is any unethical record with its transaction counterparties and requires suppliers to issue commitments to comply with corporate social responsibility, which include commitments to protect human rights and labor rights, environmental health and safety, ethics and corporate governance, etc. 100% of suppliers have submitted commitments to comply with ethics and corporate governance.	None
(II) Has the Company set up a dedicated unit under the Board of Directors to promote ethical corporate management and regularly (at least once every year) report to the Board of Directors the implementation of the ethical corporate management policies and prevention programs against unethical conduct?	✓		(II) The corporate governance office is designated by the Company to promote corporate integrity. The integrity management policy and prevention of dishonest conduct and related implementation were reported to the Board of Directors on October 29, 2024	None
(III) Has the Company established policies to prevent conflicts of interest, provide appropriate communication channels, and implement them accordingly?	✓		(III) The Company has established the company formulated "Regulations for Whistle-blowing system" to prevent conflicts of interest and set up	None

Assessment Item	Implementation Status			Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Description	
(IV) Has the Company established effective accounting systems and internal control systems to implement ethical corporate management and had its internal audit unit, based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans and audit the compliance with the prevention programs accordingly or entrusted a CPA to conduct the audit?	✓		a suggestion mailbox and a complaint mailbox to provide channels for reports and communication. Individuals may report any conflict of interest or unethical conduct to the Company for immediate response. Whistle-blowing mailbox : thdiscipline@theil.com (IV) Our internal audit office formulated an annual audit plan based on the results of risk assessment covering all operations of the Company and its subsidiaries; In addition to executing according to the audit plan, the whistle-blower mailbox is reviewed regularly, general employees shall report to their department supervisors, and reported to the Audit Committee immediately if an unethical conduct involving main managers or directors is identified.	None
(V) Does the company regularly hold internal and external educational trainings on operational integrity?	✓		(V) In 2024, the Company carried out 943 hours of education and training for directors, main managers and employees on integrity management and prevention of insider trading, a total of 1,928 participant-times.	None
III. Operations of Integrity Channel (I) Has the Company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?	✓		(I) The Company has established the company formulated Measures for the Administration of the whistle-blowing System and set up a suggestion mailbox to process employee complaints and disciplinary matters. The Company has also set up a stakeholders' section on its website as a reporting channel. Whistle-blowing mailbox : thdiscipline@theil.com	None

Assessment Item	Implementation Status			Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Description	
(II) Has the Company established the standard operating procedures for investigating reported misconduct, follow-up measures to be adopted after the investigation, and related confidentiality mechanisms?	✓		(II) According to "Measures for the Administration of the whistle-blowing System", the company promises to protect the whistleblower from any improper treatment and keep his or her identity confidential.	None
(III) Has the company provided proper whistleblower protection?	✓		(III) The Company has established "Measures for the Administration of the whistle-blowing System" and specified relevant confidentiality procedures to protect reporters from retaliation or improper treatment.	None
IV. Enhancement of Information Disclosure Has the Company disclosed its ethical corporate management policies and the results of its implementation on the company's website and MOPS?	✓		The Company will disclose the content and implementation of the "Code of Ethical Conduct" in the special column of interested party. The Company's website is www.theil.com .	None
V. 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. The Company has formulated the "Code of Ethical Conduct" to require all staff, main managers and board members of the Company to abide by it and relevant regulations, and conducted regular education and training. Therefore, the Company is in compliance with the "Code of Ethical Conduct of Listed Companies".				
VI. Other information relating to the "Ethical Corporate Management Best Practice Principles" (such as the amendment of the "Ethical Corporate Management Best Practice Principles") : The Company has formulated "Measures for the Administration of the whistle-blowing System" and disclosed them on the Company's website. For other information about the Company's Ethical Corporate Management, please refer to the Company's ESG reports, or the ESG section of the Company's website.				

(VII) Other significant information that will provide a better understanding of the state of the Company's implementation of corporate governance:

1. **Tracking and Assessment of Laws and Regulations:** In order to ensure compliance with relevant laws and regulations, the Company has always paid close attention to any domestic and international policies and laws that may have a material impact on the Company's business and finances, while regularly reviewing the Company's compliance with laws and regulations every month.
2. **Diverse Education and Training:** Various online courses are offered to help employees to learn at any time, and various online courses are successively offered, including anti-harassment, insider trading, confidential information protection, and personal data protection, and updated in line with amended laws and regulations and the Company's internal management regulations to ensure the immediacy and correctness of the course content.

Internal education and training were conducted for directors, main managers, employees and substantial controllers in 2024 to let them fully understand the Company's determination, policies, prevention plans and consequences of dishonest conduct. In 2024, the Company carried out a total of 1,928 person-times, 943 hours of education and training for directors, main managers and employees on integrity management and prevention of insider trading .
3. **The Supply Chain of Non-Conflict Raw Materials:** The Company supports the Conflict Minerals Reporting Statement and requires the whole supply chain to investigate the sources of the raw materials used and will continue to strive hard to establish a supply chain free of conflict minerals. There are 785 suppliers have submitted conflict-free-sourcing commitments in 2024.
4. The Company prepared 2024 sustainability report and disclosed it at MOPS and the Company's website on August 28, 2024, which has enhanced transparency in corporate governance.
5. The Company attaches great importance to and continues to strengthen its corporate governance with remarkable results. The result of the 11th Corporate Governance Evaluation for 2024 remains within the 21%–35% percentile range.

(VIII) State of implementation of the Company's internal control system:

1. Statement of Internal Control System

TONG HSING ELECTRONIC INDUSTRIES, LTD.

Statement of Internal Control System

Date: February 27, 2025

Based on the self-assessment findings, the Company states the following with regard to its internal control system during the year 2024

- I. The Company's Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Our internal control system is a process designed to provide reasonable assurance over the effectiveness and efficiency of operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws and regulations.
- II. There are inherent limitations to even the most well-designed internal control system. As such, an effective internal control system can only reasonably ensure the achievement of the aforementioned goals.
Furthermore, its effectiveness may change due to changes in the Company's environment and circumstances. Nevertheless, our internal control system contains self-monitoring mechanisms, and TH takes immediate remedial actions in response to any identified deficiencies.
- III. The Company evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations"). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities. Each constituent element includes a certain number of items. For more information on such items, refer to the Regulations.
- IV. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations
- V. Based on the findings of such evaluation, the Company believes that, on December 31, 2024 it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operating effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws and regulations.
- VI. This Statement is an integral part of the Company's annual report for the year 2024 and prospectus, and will be made public. Any falsehood, concealment, or other illegalities in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
- VII. This Statement was passed by the Board of Directors in their meeting held on February 27, 2025 with none of the nine attending directors expressing dissenting opinions, and the remainder all affirming the contents of this Statement.

TONG HSING ELECTRONIC INDUSTRIES, LTD.

Tie-Min Chen, Chairperson of the Board
Shao-Pin Ru, President/CEO

2. CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report: None.

(IX) Material resolutions of a shareholders meeting and Board of Directors meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

1. Major resolutions of shareholders' meeting and implementation status:

The Company's general shareholders' meeting in 2024 was held at No. 398, Taoying Rd, Taoyuan District, Taoyuan City, Taiwan (Chuto Plaza Hotel) on May 30, 2024, and the key resolutions and implementation status were as follows:

Major Resolutions	Implementation Status
1. 2023 Business Report and Financial Statements.	<p>Voting Results:</p> <p>Shares represented at the time of voting (including votes casted electronically): 143,581,458 votes.</p> <p>Votes in favor: 137,618,442 votes, 95.84% of the total represented share present.</p> <p>Votes in against: 34,107 votes, 0.03% of the total represented share present.</p> <p>Votes in invalid: 0 votes, 0.00% of the total represented share present.</p> <p>Votes in abstained: 5,928,909 votes, 4.13% of the total represented share present.</p> <p>RESOLVED, that 2023 Business Report and Financial Statements were hereby accepted as submitted.</p>
2. The 2023 Earnings Distribution.	<p>Voting Results:</p> <p>Shares represented at the time of voting (including votes casted electronically): 143,581,458 votes.</p> <p>Votes in favor: 129,989,990 votes, 90.53% of the total represented share present.</p> <p>Votes in against: 47,223 votes, 0.03% of the total represented share present.</p> <p>Votes in invalid: 0 votes, 0.00% of the total represented share present.</p> <p>Votes in abstained: 13,544,245 votes, 9.44% of the total represented share present.</p> <p>RESOLVED, that the 2023 Earnings Distribution were hereby accepted as submitted.</p> <p>Implementation status:</p> <p>Designated July 05, 2024 as the ex-dividend baseline date, and cash dividends (NT\$2.4 shall be distributed for each share).</p>
3. The amendment to the "Company's Articles of Incorporation".	<p>Voting Results:</p> <p>Shares represented at the time of voting (including votes casted electronically): 143,581,458 votes.</p> <p>Votes in favor: 135,414,749 votes, 94.31% of the total represented share present.</p> <p>Votes in against: 43,378 votes, 0.03% of the total represented share present.</p> <p>Votes in invalid: 0 votes, 0.00% of the total represented</p>

Major Resolutions	Implementation Status
	<p>share present.</p> <p>Votes in abstained: 8,123,331 votes, 5.66% of the total represented share present.</p> <p>RESOLVED, that the amendment to the "Company's Articles of Incorporation" were hereby accepted as submitted.</p> <p>Implementation status: Amended and implemented based on the amendment of the "Company's Articles of Incorporation".</p>

2. Major resolutions of board meetings:

Date	Item	Major Resolutions
February 29, 2024 8 th meeting of the 18 th Term	Board of Directors	<ol style="list-style-type: none"> 1. To submit of the Company's 2023 "Statement of Internal Control System". 2. To revise the Company's "Internal Control System". 3. The proposal for the Company's year-end bonus distribution and remuneration distribution plan for employees and Directors for 2023. 4. The proposal for the Company's 2023 Business Report and Financial Statements. 5. The company's 2023 earnings distribution table and cash dividend distribution proposal. 6. The proposal for the replacement of the company's accountant due to internal adjustments within the accounting firm. 7. Evaluation of the independence and competency of the Company's CPA. 8. To amend the Company's "Articles of Incorporation". 9. The proposal for the amendment of certain provisions of the company's "Audit Committee Charter." 10. The proposal for the amendment of certain provisions of the company's "Rules of Procedure for Board of Directors Meetings." 11. The proposal for the 2024 business plan. 12. The proposal for the date, location, and reasons for convening the Company's 2024 annual shareholders' meeting. 13. The period and location for accepting shareholder proposals for the company's 2024 Annual General Meeting.
April 18, 2024 9 th meeting of the 18 th Term	Board of Directors	<ol style="list-style-type: none"> 1. The proposal for the Company's 2024 Q1 consolidated financial statements.
May 30, 2024 10 th meeting of the 18 th Term	Board of Directors	<ol style="list-style-type: none"> 1. The proposal for the appointment of the company's President. 2. The proposal to lift the non-compete restrictions for the newly appointed President. 3. The proposal for the appointment of the company's Chief Operating Officer.

Date	Item	Major Resolutions
July 30, 2024 11 th meeting of the 18 th Term	Board of Directors	<ol style="list-style-type: none"> 1. The proposal for the Company's 2024 Q2 consolidated financial statements. 2. The proposal for the change of main manager at the Longtan Branch. 3. The proposal for the company's 2023 Sustainability Report.
October 29, 2024 12 th meeting of the 18 th Term	Board of Directors	<ol style="list-style-type: none"> 1. The proposal for 2025 Annual Audit Plan. 2. To revise the Company's "Internal Control System". 3. The proposal for the appointment of the company's Chief Internal Auditor. 4. The proposal for the distribution of the company's 2023 executive compensation. 5. The proposal for the Company's 2024 Q3 consolidated financial statements. 6. The proposal for the earnings distribution for the first half of the Company's fiscal year of 2024. 7. The proposal for the land acquisition by the company's subsidiary, TONG HSING ELECTRONICS PHILS. INC. 8. The proposal for the company's fund lending to its subsidiary, TONG HSING ELECTRONICS PHILS. INC. 9. For the needs of working capital turnover and management of interest and exchange rate risks, it is proposed to apply to financial institutions for relevant credit line. 10. The proposal for the amendment of certain provisions of the company's "General Principles for Pre-Approval of Non-Assurance Services Policy". 11. The proposal for the amendment of certain provisions of the company's "Procedures for Derivatives Transactions." 12. The proposal for the amendment of certain provisions of the company's "Material Information and Insider Trading Prevention Management Procedures." 13. The proposal for the establishment of the company's "Sustainability Information Management Operations." 14. The proposal to establish the Company's "Procedures for the Preparation and Assurance of the Sustainability Report." 15. The proposal to donate to the "Yageo Foundation".
February 27, 2025 13 th meeting of the 18 th Term	Board of Directors	<ol style="list-style-type: none"> 1. To submit of the Company's 2024 "Statement of Internal Control System". 2. To revise the Company's "Internal Control System".

Date	Item	Major Resolutions
		3. The proposal for the distribution of the company's main managers 2024 year-end bonuses. 4. The proposal for the Company's remuneration distribution plan for employees and Directors for 2024. 5. The proposal for the Company's 2024 Business Report and Financial Statements. 6. The company's 2024 earnings distribution table and cash dividend distribution proposal. 7. Evaluation of the independence and competency of the Company's CPA. 8. The definition and scope of the company's general employees. 9. To amend the Company's "Articles of Incorporation". 10. The proposal for the establishment of the company's "Regulations on Financial and Business Operations Between Related Parties." 11. The proposal for the 2025 business plan. 12. The proposal for the complete re-election of the company's board of directors. 13. The proposal for the nomination of director candidates. 14. Proposal to lift the non-compete restrictions for the newly appointed directors and their representatives. 15. The proposal for the date, location, and reasons for convening the Company's 2025 annual shareholders' meeting. 16. The period and location for accepting shareholder proposals and nominating director candidates for the company's 2025 Annual General Meeting. 17. The proposal for the company to apply for a credit limit from financial institutions. 18. The proposal for the land acquisition and investment structure of the company's subsidiary, TONG HSING ELECTRONICS PHILS. INC. 19. The proposal for the disposal of the company's Taipei office.
April 17, 2025 14 th meeting of the 18 th Term	Board of Directors	1. The proposal for the Company's 2025 Q1 consolidated financial statements.

- (X) During the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director 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.

IV. Information on the Professional Fees of the Attesting CPAs

Unit: NTD thousand dollars

Name of CPA Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee (Note)	Non-audit Fee	Total
KPMG	I-Wen Wang	January 1, 2024-December 31, 2024	4,005	1,157	5,162
	Yu-Ting Hsin				

Note: Non-audit fees include: (1)R&D tax consulting service fees NT\$228 thousand dollars; (2) Transfer pricing tax service fee NT\$162 thousand dollars; (3)Master file service fee NT\$160 thousand dollars; (4) Review Capitalization of Earnings and service fee NT\$47 thousand dollars; (5) Business Tax adopts Direct Deduction Method fee NT\$60 thousand dollars; (6) Tax Compliance Audit fee NT\$500 thousand dollars.

(I)If the audit fees decrease by more than 10% compared to the previous year, the reduction amount, percentage, and reason should be disclosed: None.

V. Information on Replacement of CPA:

(I) About the former CPA

Replacement Date	February 29, 2024
Replacement reasons and instructions	According to the internal position adjustment of KPMG, the CPA will be replaced from 2024Q1.
Indicates that the appointing person or CPA has terminated or refused to accept the appointment	Not applicable
Opinions and reasons for audit reports other than unqualified opinions issued within the latest two years	Not applicable
Disagreement with the issuer	None.
Other disclosures (Article 10, Subparagraph 6, Subparagraph 1, Item 4 to Item 1, Item 7 of this Code shall be disclosed)	None.

(II) About Successor CPA

Name of accounting firm	KPMG
Name of CPA	I-Wen Wang & Yu-Ting Hsin
Date of appointment	February 29, 2024
Accounting treatment methods or accounting principles for specific transactions prior to appointment and Issues and Results of Opinion Consultation on Possible Issuance of Financial Reports	Not applicable
Written opinion of the successor CPA on matters with different opinions from the predecessor CPA (c)	Not applicable

(III)The reply letter from the former CPA regarding the Company's disclosures regarding the matters under Article 10.6.A and 10.6.B(c) of the Regulations.: Not applicable.

VI. The Company's Chairperson, President, or any Managerial Officer in Charge of Finance or Accounting Matters has in the Most Recent Year Held a Position at the Accounting Firm of its Certified Public Accountant or at an Affiliated Enterprise of Such Accounting Firm: None.

VII. Any Transfer of Equity Interests and/or Pledge of or Change in Equity Interests by a Director, Managerial Officer, or Shareholder with a Stake of More Than 10 Percent During the Most Recent Fiscal Year or During the Current Fiscal Year up to the Date of Publication of the Annual Report

1. Changes in shareholding of directors, managerial officer and major shareholders

Unit: shares

Title	Name	2024		The Information as of March 30, 2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairperson	Tie-Min Chen	-	-	-	-
Juristic- person Director & Vice Chairperson	Multifield Investment Inc. Representative: Hsi-Hu Lai	-	-	-	-
Juristic- person Director	Huan Tai Co., Ltd. Former Representative: Jia-Shuai Chang(Note1)	-	32,238	295,000	-
Juristic- person Director	Huan Tai Co., Ltd. Representative: Chia-Li Huang(Note1)				
Juristic- person Director	Huan Tai Co., Ltd. Representative: Pen-Chi Chen				
Juristic- person Director	Kaimei Electronic Corporation Representative: Shu-Hwei Chen	-	-	-	(6,513,177)
Juristic- person Director	Shi Hen Enterprise Limited Representative: Shu-Chen Tsai	-	-	-	-
Former Juristic-person Director & President/CEO	Chia-Shuai Chang(Note2)	-	-	-	-
Juristic- person Director & COO & CFO/ Vice president	Chia-Li Huang	-	-	-	-
Independent Director	Ta-Sheng Chiu	-	-	-	-
Independent Director	Yueh-Hsiang Tsai	-	-	-	-
Independent Director	Chin-Tsai Chen	-	-	-	-
President/CEO	Shao-Pin Ru (Note2)	35,000	-	40,000	-
Vice president	Chien-Chen Lee	-	-	-	-
Former Vice president	Chin-Lung Fang(Note3)	-	-	-	-
Associate vice president	Zzu-Chi Chiu	-	-	-	-
Associate vice president	Ming-Yen Pan	-	-	-	-
Former Associate vice president	Po-Hsiu Cheng(Note4)	-	-	-	-

Note1 : On June 6, 2024, Huan Tai Co., Ltd. reassigned Ms. Chia-Li Huang as its new representative director of our company.

Note2 : Jia-Shuai Chang resigned the position of President on May 30,2024 and Shao-Pin Ru assumed office on the same day.

Note3 : Chin-Lung Fang resigned the position of the top supervisor on March 1,2024.

Note4 : Po-Hsiu Cheng resigned the position of the top supervisor on June 1,2024.

2. The counterparty in any such transfer of equity interests is a related party: None.

3. The counterparty in any such pledge of equity interests is a related party: None.

VIII. Relationship Information, if Among the Company's 10 Largest Shareholders any One is a Related Party or a Relative Within the Second Degree of Kinship of Another

Unit: shares

Name	Current Shareholdings		Spouse & Minor Shareholding		TH Shareholdings by Nominee Arrangement		Name and Relationship of Top Ten Shareholders if They Are Related Parties or Spouse, or Relatives Within the Second Degree of Kinship to the Other Party.	
	Shares	%	Shares	%	Shares	%	Company Name	Relationship
Fubon Life Insurance Co., Ltd Representative : Fu-Sing Lin	10,247,870	4.9%	Not Applicable	Not Applicable	0	0	None	None
	0	0	0	0	0	0	None	None
Kaimei Electronic Corporation Representative : Shao-Pin Ru	9,754,774	4.67%	Not Applicable	Not Applicable	4,419,767	2.11%	Mu Yeh Wen Investment Corp.	Parent and subsidiary company
	134,650	0.06%	19,730	0.01%	0	0	None	None
Tie-Min Chen	9,559,057	4.57%	0	0	0	0	Kuo Shin Investment Co, Ltd.	Representative
Chunghwa Post Co., Ltd. Representative : Kwo-Tsai, Wang	7,909,168	3.78%	Not Applicable	Not Applicable	0	0	None	None
	0	0	0	0	0	0	None	None
Cathay Life Insurance Company, Ltd. Representative : Ming-He Syong	6,406,010	3.06%	Not Applicable	Not Applicable	0	0	None	None
	0	0	0	0	0	0	None	None
Mu Yeh Wen Investment Corp. Representative : Pen-Chi Chen	4,419,767	2.11%	Not Applicable	Not Applicable	0	0	Kaimei Electronic Corporation	Parent and subsidiary company
	3,000	0.00%	0	0	0	0	None	None
TransGlobe Life Insurance Inc. Representative : Wun-Huei Lin	4,025,150	1.93%	Not Applicable	Not Applicable	0	0	None	None
	0	0	0	0	0	0	None	None
Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds, custody by JPMorgan Chase Bank, N.A., Taipei Branch	2,562,494	1.23%	Not Applicable	Not Applicable	0	0	None	None
VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS, custody by JPMorgan Chase Bank, N.A., Taipei Branch	2,478,919	1.19%	Not Applicable	Not Applicable	0	0	None	None
Kuo Shin Investment Co, Ltd. Representative : Tie-Min Chen	2,420,500	1.16%	Not Applicable	Not Applicable	0	0	Tie-Min Chen	Representative
	9,559,057	4.57%	0	0	0	0	None	None

IX. The Total Number of Shares and Total Equity Stake Held in any Single Enterprise by the Company, its Directors, Managerial Officers, and any Companies Controlled Either Directly or Indirectly by the Company

December 31, 2024; Unit: Thousand shares

Investee business	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/Managers		Total Ownership	
	Shares	Ownership (%)	Shares	Ownership (%)	Shares	Ownership (%)
Tong Hsing Electronics Phils. Inc. (Tong Hsing- Philippines)	28,793	100%	-	-	28,793	100%
Multi-field Holdings Corporation (Note)	-	-	10,000	20%	10,000	20%
Note : The directors of the subsidiary are members of the management team of the Company and its subsidiaries. From 2024 4 th quarter, the Company obtained the authority to direct the subsidiary's personnel, financial, and operational decisions, and is therefore considered to have substantive control over the subsidiary. The subsidiary has accordingly been included within the scope of consolidation.						

Chapter 3 Capital Raising Activities

I. Capital and Shares

(I) Source of capital stock

1. Historical Information of Capitalization

Unit: NT\$; Shares as of March 30, 2025

Month/Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increase by Assets Other than Cash	Other
1975.08	10	3,000,000	30,000,000	3,000,000	30,000,000	Initial establishment.	None	None
1978.10	10	6,000,000	60,000,000	6,000,000	60,000,000	Capital increase by cash NTD 30,000,000.	None	None
1986.08	10	8,000,000	80,000,000	8,000,000	80,000,000	Capital increase by cash NTD 6,000,000. Capital increase by retained earnings NTD 14,000,000.	None	None
1988.09	10	10,000,000	100,000,000	10,000,000	100,000,000	Capital increase by cash NTD 2,000,000. Capital increase by retained earnings NTD 18,000,000. None	None	None
1989.12	10	12,000,000	120,000,000	12,000,000	120,000,000	Capital increase by retained earnings NTD 20,000,000.	None	None
1990.12	10	13,500,000	135,000,000	13,500,000	135,000,000	Capital increase by retained earnings NTD 15,000,000.	None	None
1991.12	10	16,065,000	160,650,000	16,065,000	160,650,000	Capital increase by retained earnings NTD 10,800,000. Capital increase by capital surplus NTD 14,850,000.	None	None
1997.11	10	19,965,000	199,650,000	19,965,000	199,650,000	Capital increase by cash NTD 39,000,000.	None	None
1999.07 (Note 1)	10	80,000,000	800,000,000	36,000,000	360,000,000	Capital increase by cash NTD 160,350,000.	None	None
2000.07 (Note 2)	10	80,000,000	800,000,000	54,800,000	548,000,000	Capital increase by retained earnings NTD 180,000,000. Capital increase by employee bonus NTD 8,000,000.	None	None
2001.07 (Note 3)	10	80,000,000	800,000,000	67,110,000	671,100,000	Capital increase by retained earnings NTD 109,600,000. Capital increase by employee bonus NTD 13,500,000.	None	None
2002.07 (Note 4)	10	93,000,000	930,000,000	73,821,000	738,210,000	Capital increase by retained earnings NTD 67,110,000.	None	None
2003.07 (Note 5)	10	93,000,000	930,000,000	77,912,050	779,120,500	Capital increase by retained earnings NTD 36,910,500. Capital increase by employee bonus NTD 4,000,000. None	None	None
2006.09 (Note 6)	10	93,000,000	930,000,000	81,807,652	818,076,520	Capital increase by retained earnings NTD 38,956,020.	None	None
2007.08 (Note 7)	10	150,000,000	1,500,000,000	86,698,034	866,980,340	Capital increase by retained earnings NTD 40,903,820. Capital increase by employee bonus NTD 8,000,000.	None	None
2007.11 (Note 8)	10	150,000,000	1,500,000,000	98,698,034	986,980,340	Capital increase by cash NTD 120,000,000.	None	None
2008.09 (Note 9)	10	150,000,000	1,500,000,000	105,132,935	1,051,329,350	Capital increase by retained earnings NTD 49,349,010. Capital increase by employee bonus NTD 15,000,000.	None	None
2008.10 (Note 10)	10	150,000,000	1,500,000,000	115,132,935	1,151,329,350	Capital increase by cash NTD 100,000,000.	None	None
2009.02 (Note 11)	10	150,000,000	1,500,000,000	114,341,935	1,143,419,350	Capital reduction by treasury stock NTD 7,910,000.	None	None
2009.08 (Note 12)	10	150,000,000	1,500,000,000	120,059,031	1,200,590,310	Capital increase by retained earnings NTD 57,170,960.	None	None
2009.11 (Note 13)	10	150,000,000	1,500,000,000	122,017,531	1,220,175,310	Executive employee warrants in the third quarter of 2009 NTS 19,585,000 in total	None	None
2009.12 (Note 14)	10	150,000,000	1,500,000,000	125,017,531	1,250,175,310	Issuance of common stock through merger, NTD 30,000,000.	None	None
2009.12 (Note 15)	10	150,000,000	1,500,000,000	125,086,531	1,250,865,310	Executive employee warrants in the fourth quarter of 2009 NTS 690,000 in total	None	None

Month/Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increase by Assets Other than Cash	Other
2010.07 (Note 16)	10	200,000,000	2,000,000,000	141,086,531	1,410,865,310	Capital increase by cash NTD 160,000,000.	None	None
2010.11 (Note 17)	10	200,000,000	2,000,000,000	141,790,531	1,417,905,310	Executive employee warrants in the third quarter of 2010 NTD 7,040,000 in total	None	None
2011.04 (Note 18)	10	200,000,000	2,000,000,000	141,810,531	1,418,105,310	Executive employee warrants in the third quarter of 2010 NTD 200,000 in total	None	None
2011.08 (Note 19)	10	200,000,000	2,000,000,000	161,810,531	1,618,105,310	Capital increase by cash NTD 200,000,000.	None	None
2011.11 (Note 20)	10	200,000,000	2,000,000,000	162,535,031	1,625,350,310	Executive employee warrants in the third quarter of 2011, NTD 7,245,000.	None	None
2012.03 (Note 21)	10	200,000,000	2,000,000,000	162,708,031	1,627,080,310	Executive employee warrants in the fourth quarter of 2011, NTD 1,730,000.	None	None
2012.05 (Note 22)	10	200,000,000	2,000,000,000	162,878,031	1,628,780,310	Executive employee warrants in the first quarter of 2012, NTD 1,700,000.	None	None
2012.09 (Note 23)	10	200,000,000	2,000,000,000	162,886,031	1,628,860,310	Executive employee warrants in the second quarter of 2012, NTD 80,000.	None	None
2012.11 (Note 24)	10	200,000,000	2,000,000,000	162,907,031	1,629,070,310	Executive employee warrants in the third quarter of 2012, NTD 210,000.	None	None
2017.03 (Note 25)	10	200,000,000	2,000,000,000	165,357,520	1,653,575,200	Convertible bond transferred to common stock, 2,450,489 shares.	None	None
2020.03 (Note 26)	10	400,000,000	4,000,000,000	165,357,520	1,653,575,200	Approved raising Authorized Capital by Ministry of Economic Affairs, R.O.C.	None	None
2020.08 (Note 27)	10	400,000,000	4,000,000,000	236,647,569	2,366,475,690	Transfer of shares with Kingpak Technology Inc. and issuance of 71,290,049 new shares	None	None
2020.10 (Note 28)	10	400,000,000	4,000,000,000	178,848,321	1,788,483,210	Executive employee warrants in June 2020, NT\$ 758,840 in total Return of NT\$ 578,751,320 for capital reduction in cash	None	None
2021.01 (Note 29)	10	400,000,000	4,000,000,000	178,730,839	1,787,308,390	Cancellation of new restricted employee shares, with capital reduction of NT\$ 1,174,820 in total	None	None
2021.01 (Note 30)	10	400,000,000	4,000,000,000	178,708,282	1,787,082,820	Cancellation of new restricted employee shares, with capital reduction of NT\$ 225,570 in total	None	None
2022.05 (Note 31)	10	400,000,000	4,000,000,000	178,708,282	1,787,082,820	Cancellation of new restricted employee shares, with capital reduction of NT\$ 178,570 in total	None	None
2022.09 (Note 32)	10	400,000,000	4,000,000,000	178,682,906	1,786,829,060	Cancellation of New Shares Restricting Employee Rights, NT\$ 75,190 in total	None	None
2022.11 (Note 33)	10	400,000,000	4,000,000,000	160,813,864	1,608,138,640	Cash capital reduction and return of NT\$178,690,420 in total	None	None
2023.08 (Note 34)	10	400,000,000	4,000,000,000	209,058,024	2,090,580,240	Stock Dividends NT\$482,441,600 in total	None	None

Note 1: Approved No. (88)Tai Cai Zheng (1)63696, Securities and Futures Commission, Ministry of Finance on July 16, 1999.

Note 2: Approved No. (89)Tai Cai Zheng (1)58483, Securities and Futures Commission, Ministry of Finance on July 6, 2000.

Note 3: Approved No. (90)Tai Cai Zheng (1)148167, Securities and Futures Commission, Ministry of Finance on July 25, 2001.

Note 4: Approved No. Tai Cai Zheng Zi (1)0910137224, Securities and Futures Commission, Ministry of Finance on July 9, 2002.

Note 5: Approved No. Tai Cai Zheng Zi (1)0920129941, Securities and Futures Commission, Ministry of Finance on July 9, 2003.

Note 6: Approved No. Jin Guan Zheng Zi (1)0960028615, Financial Supervisory Commission, Executive Yuan on July 11, 2006.

Note 7: Approved No. Jin Guan Zheng Zi (1)0960028615, Financial Supervisory Commission, Executive Yuan on June 5, 2007.

Note 8: Approved No. Jin Guan Zheng Zi (1)0960057360, Financial Supervisory Commission, Executive Yuan on October 17, 2007.

Note 9: Approved No. Jin Guan Zheng Zi (1)0970032788, Financial Supervisory Commission, Executive Yuan on July 1, 2008.

Note 10: Approved No. Jin Guan Zheng Zi (1)0970032789, Financial Supervisory Commission, Executive Yuan on July 8, 2008.

Note 11: Approved No. Jin Guan Zheng Zi (3)0980003332, Financial Supervisory Commission, Executive Yuan on January 23, 2009.

Note 12: Approved No. Jin Guan Zheng Fa Zi 0980034440, Financial Supervisory Commission, Executive Yuan on July 10, 2009.

Note 13: Approved No. Tai Zheng Shang Zi 09800300531, Taiwan Stock Exchange on November 25, 2009.

Note 14: Approved No. Jin Guan Zheng Fa Zi 0980063108, Financial Supervisory Commission, Executive Yuan on December 2, 2009.

Note 15: Approved No. Tai Zheng Shang Zi 09900090711, Taiwan Stock Exchange on April 9, 2010.

Note 16: Approved No. Jin Guan Zheng Fa Zi 0990022159, Financial Supervisory Commission, Executive Yuan on May 18, 2010.

Note 17: Approved No. Tai Zheng Shang Zi 09900359141, Taiwan Stock Exchange on November 26, 2010.

Note 18: Approved No. Tai Zheng Shang Zi (1)10000118511 on April 20, 2011.
Note 19: Approved No. Jin Guan Zheng Fa Zi 1000022470 on June 7, 2011.
Note 20: Approved No. Tai Zheng Shang Zi (1)10000366751 on November 18, 2011.
Note 21: Approved No. Tai Zheng Shang Zi (1)10100061041 on March 23, 2012.
Note 22: Approved No. Tai Zheng Shang Zi (1)10100113671 on May 24, 2012.
Note 23: Approved No. Tai Zheng Shang Zi (1)10100217031, 09/25/2012.
Note 24: Approved No. Tai Zheng Shang Zi (1)10100264601, 11/22/2012.
Note 25: Approved No. Jing Shou Shang Zi 10601080420, 06/20/2017.
Note 26: Approved No. Jing Shou Shang Zi 10901031460, 03/20/2020, Ministry of Economic Affairs.
Note 27: Approved No. Jing Shou Shang Zi 10901125850, 08/04/2020, Ministry of Economic Affairs.
Note 28: Approved No. Jin Guan Zheng Fa Zi 1090143160, 08/26/2020, Financial Supervisory Commission, Executive Yuan.
Note 29: Approved No. Jing Shou Shang Zi 10901238970, 01/15/2021, Ministry of Economic Affairs.
Note 30: Approved No. Jing Shou Shang Zi 11001005960, 01/21/2021, Ministry of Economic Affairs.
Note 31: Approved No. Jing Shou Shang Zi 11101062800, 05/04/2022, Ministry of Economic Affairs.
Note 32: Approved No. Jing Shou Shang Zi 11101179120, 09/19/2022, Ministry of Economic Affairs.
Note 33: Approved No. Tai Zheng Shang Zi (1) 1111805027, 10/14/2022.
Note 34: Approved No. Jing Shou Shang Zi 11230162580, 08/18/2023, Ministry of Economic Affairs.

2. Type of Shares

Unit: Shares as of March 30, 2025

Share Type	Authorized Capital			Remark
	Issued Shares	Unissued Shares	Total	
Common Stocks	209,058,024	190,941,976	400,000,000	Listed on TWSE.

3. Information for Shelf Registration: None.

(II) Major Shareholders

Unit: Shares as of March 30, 2025

Name of Major Shareholders	Shareholding	Ownership (%)
Fubon Life Insurance Co., Ltd	10,247,870	4.90%
Kaimei Electronic Corporation	9,754,774	4.67%
Tie-Min Chen	9,559,057	4.57%
Chunghwa Post Co., Ltd.	7,909,168	3.78%
Cathay Life Insurance Company, Ltd.	6,406,010	3.06%
Mu Yeh Wen Investment Corp.	4,419,767	2.11%
TransGlobe Life Insurance Inc.	4,025,150	1.93%
Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds, custody by JPMorgan Chase Bank, N.A., Taipei Branch	2,562,494	1.23%
VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS, custody by JPMorgan Chase Bank, N.A., Taipei Branch	2,478,919	1.19%
Kuo Shin Investment Co, Ltd.	2,420,500	1.16%

(III) The Company's dividend policy and implementation thereof:

1. Dividends Policy in the Company's Articles of Incorporation

When allocating the earnings for each fiscal year, the Company must pay tax and cover the accumulated losses first, also share the remaining profit as follows:

- (1) Set aside 10% of the earnings as legal reserve. However, when the legal reserve amount equals to the paid-in capital of the Company, it is not subject or such restriction.

- (2) Set aside or reverse special reserve in accordance with the relevant laws and regulations.
- (3) Pay dividends or bonuses for an amount not less than 30% of the amount net of the legal reserve and special reserve as stipulated in the preceding paragraph and the cash dividends shall account for at least 50% of the current year's total dividends. The Board of Director shall prepare the earnings distribution proposal for the resolutions of the shareholders' meeting. However, if the earnings distribution proposal is for the distribution of dividend and bonus in cash entirely or partially, it shall be resolved by the Board of Directors with the attendance of more than two-thirds of the directors and the consent of the majority of attending directors; also, it shall be reported in the shareholders' meeting.

The Company's dividend policy is based on the current and future development plans, consideration of the investment environment, capital requirements, domestic and international competition, and the interests of shareholders, etc. The Board of Directors shall prepare a resolution to be approved by the shareholders in a meeting. If the Company has no loss, the Board of Directors, with two-thirds of the directors present and a majority of the directors present, shall issue all or a portion of the legal reserve and the capital surplus as provided in Paragraph 1, Article 241 of the Company Act to the shareholders in cash in proportion to their original shares and report the same to the shareholders' meeting.

2. The dividend distribution proposed by the Board of Directors Meeting is as follows

- (1) For the Company's future working capital needs, Board of Directors resolved no dividend distribution for the first half year of 2024 on October 29, 2024.
- (2) In 2024, the Company achieved a net profit after tax of NT\$1,713,825,190. After accounting for actuarial gains and losses of NT\$35,070,737, we have set aside 10% as a legal reserve, totaling NT\$174,889,593. Additionally, the Company plans to allocate NT\$627,174,072 from the distributable earnings of 2024 for cash dividends, with a dividend of NT\$3 per share.
- (3) The amount of this cash dividend distribution is calculated up to NT\$1, and those below NT\$1 are rounded down. The total amount of fractional cash dividends less than NT\$1 shall be accrued to other income of the Company.
- (4) The proposal of the 2024 cash dividend distribution was approved by the Board of Directors on February 27, 2025, the Chairperson would be authorized to set the record date of ex-dividend, distribution date and other relevant matters. If the number of shares outstanding of the date of ex-dividend affected by shares was bought back by the Company, or a transfer, conversion, cancellation were adopted for aforementioned shares, or an exercise of employee stock options, or a cancellation of new restricted employee shares, or an amendment to relevant laws or regulations, or requests from competent authorities, or amendments made in response to other objective circumstances, that the proposed ratio of dividend

distribution is changed and needed to be adjusted, it is proposed that the Chairperson be authorized to handle all matters in accordance with the applicable laws and regulations.

3. A material change in dividend policy is expected: None.

(IV) Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders' meeting: Not applicable.

(V) Profit-sharing compensation of employees and directors:

1. The percentages or ranges with respect to employee and director profit-sharing compensation, as set forth in the Company's Articles of Incorporation:

The Company shall appropriate no less than 3% and no more than 3% of the earnings, respectively, as employee's compensation and directors' remunerations when the operation is profitable for the year (meaning the pre-tax net income is positive before making distribution to employees and directors. However, if the Company suffers from accumulative losses, a sum shall be set aside out of the earnings for recovery of the losses, and then, distribution as employee's compensation and directors' remunerations shall be calculated pro rata as stipulated in the preceding paragraph.

The distribution can be made in the form of cash or stocks for employees, but only in the form of cash for the directors and supervisors.

Proposals of distributions to employees, directors and supervisors shall be taken to the shareholders' meeting for approval after the resolution is reached by a majority of the Board with two thirds in attendance.

2. The basis for estimating the amount of employee, director, and supervisor profit-sharing compensation, for calculating the number of shares to be distributed as employee profit-sharing compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:

The estimation of employee and director remuneration expenses in the Company is determined by the Board of Directors, in accordance with the "Remuneration Policy for the Directors and Managerial Officers", the "Articles of Incorporation", and industry standards. Any discrepancies between the estimated and actual amounts of employee and director remuneration for the current period will be recorded as expenses for the following year.

3. Information on any approval by the Board of Directors of distribution of profit-sharing compensation:

(1) If the amount of employee compensation distributed in cash or stocks and compensation for directors and supervisors differs from the recognized expenses, the discrepancy, its cause and the status of treatment shall be disclosed:

The Company's proposal on distribution to the employee's and directors' compensations for 2024 was approved by the resolution of the Board of Directors on February 27, 2025. The proposed employee's compensation and the directors' compensation were respectively NT\$ 114,320 thousand and NT\$62,340 thousand, which was in line with the estimates.

(2) The amount of any employee compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee compensation: None.

4. The actual distribution of employee and director 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 and director profit-sharing compensation, additionally the discrepancy, cause, and how it is treated:

Actual employee and director remuneration paid in 2023 included NT\$ 84,000 thousand for the employees and NT\$ 45,300 thousand for the directors, which was in line with the actual distribution.

(VI) Status of the Company repurchasing its own shares: None.

II. Corporate Bonds: None

III. Preferred Shares: None.

IV. Global Depositary Receipts (GDRs): None.

V. Employee Share Subscription Warrants: None.

VI. New Restricted Employee Shares: None.

VII. New Shares in Connection with Mergers or Acquisitions or with Acquisitions of Shares of Other Companies: None.

VIII. Implementation of the Company's Capital Allocation Plans: None.

Chapter 4 Overview of Business Operation

I. A Description of the Business

(I) Scope of business

1. Major products revenue and its proportion respectively:

Major Products	Unit: NT\$ thousands	
	Net operating revenue for 2024	
	Amount	%
Image Products	5,748,736	47.55
Hybrid Modules & Specialty Packaging	2,950,801	24.40
Ceramic Metalized Substrates	2,202,995	18.22
RF Module	1,045,577	8.65
Other	142,885	1.18
Total	12,090,994	100.00

2. Company's Products and Services:

Tong Hsing is an Outsourced Semiconductor Assembly and Test service provider. In the field of semiconductor packaging, Tong Hsing provides comprehensive solutions for high power, high reliability, and excellent thermal dissipation. Our product and service offerings include ceramic substrates, MEMS modules, image sensor packaging, analog chip packaging, RF modules, fiber optic communication modules, power modules, and integrated optics. These solutions are widely applied across automotive, telecommunications, data communication, industrial, mobile, medical, and energy sectors.

(1)RF Module, Hybrid Modules & Specialty Packaging: mainly for low earth orbit satellite communication, known good die (KGD) for optical communication, automotive electronics, aerospace and biomedical semiconductors, power semiconductors and micro display module assembling and testing.

(2)Ceramic Metalized Substrates: mainly for applications related to high brightness LED ceramic heat dissipation substrate, including general lighting, streetlights, mobile phone flashes, special lighting, plant lights, UVC sterilization lights and automotive headlamp and high- power laser.

(3)Image products: mainly for image sensor wafer testing, wafer reconstruction, and wafer packaging services, which are applied in intelligent automobile, automatic driving, smartphones, industrial equipment and other related fields.

(4)Power Semiconductors: mainly for wafer reconstitution and packaging/testing services for SiC and GaN known good dies, discrete devices, and power modules, which are applied in electric vehicles (DC/DC, OBC, inverters), data centers (VMR, UPS, solid-state relays), smart grid systems, other related fields.

3. New products (services) development:

The Company invested about NT\$ 510 million in research and development in 2024, the net revenue as a percentage of total operating income is 4.23%. The new development products and services are as follows:

- (1) 3D sensing module assembly
- (2) Optoelectronic semiconductor module assembly
- (3) Biomedical chip packaging including structure and process development
- (4) Double-side cooling power module assembly
- (5) High-density-traces ceramic substrates with multi-layers
- (6) Automotive anti-flare tiny iBGA package solutions
- (7) Automotive tiny iBGA package solutions for high-resolution stack CMOS wafer
- (8) Automotive AEC Q-100 Grade I Package solution
- (9) Ceramic core substrate applied for high performance computing.
- (10) Transceiver modules for optical communication.

(II) Overview of industry:

1. Trend and competition for the Company's major products and services development:

(1) RF Module:

High-frequency communication modules are System-in-Package (SiP) or Antenna-in-Package (AiP) which integrate transceivers and baseband chips.

In low-Earth orbit satellite communication, non-terrestrial networks (NTN) provide connectivity to areas uncovered by 5G communication with low-latency transmission. With the cost improvement of satellite launches, market adoption rate continues to increase; in addition, expansion in non-commercial segments such as disaster monitoring and communication security will also continue to drive growth. Thereof, the novel antenna-in-packaging supports high gain and high frequency bands, miniaturization, and highly integration of active and passive components.

In data communication (Datacom), as the parameters of AI training and inference continue to grow, it boosts demand for higher TOPS (trillions of operations per second). Currently, it is fulfilled by CLOS network topology where connect bulks of GPU for running in parallel. This drives continuous technological breakthroughs in switches and transceivers in the network architecture to increase data transmission rates, reduce latency, and lower power consumption to meet industry needs. Meanwhile, edge devices are featuring agentic AI, it turns the demand for wireless communication modules built in. Benefiting from various applications and multiple scenarios, wireless communication modules, as core components of edge devices, are expected to grow in the market.

Tong Hsing assembly capability for communication modules mainly combines surface mounting, flip-chip, thermal compression bonding and stealth dicing to provide packaging solutions with compact size and fulfill high-frequency characteristics.

(2) Hybrid Modules & Specialty Packaging:

Hybrid Modules & Specialty Packaging are mainly packaging and PCBA processes, which are widely used in automotive, communications, consumer, industrial,

instruments, aerospace and computer accessory markets.

In power devices for automotive, the wide band gap semiconductors are applied in electric vehicle DC/DC converters, traction inverters, and on-board chargers. Additionally, starting from 2024, the rapid expansion of datacenter has driven the increased demand for VMR, UPS, and solid-state relays. According to Yole (2024), the compound annual growth rate (CAGR) from 2023 to 2029 is projected to be 25.34% for SiC MOSFET Modules, 32.31% for SiC MOSFET Discrete, and 35.11% for GaN HEMT Discrete.

In Biomedical applications, with the rapid development progress of serial array system of high-resolution MEMS and sensors, it greatly reduces time of diagnosis and lower the cost, powered by AI in either symptoms judgement or healthy consulting, it enables users to obtain professional recommendations without requiring specialized medical diagnostic expertise, thereby expanding its applicability to areas beyond custom hospitals. Additionally, third-generation testing is gradually maturing, with costs continuing to decrease, which will increase the penetration rate of these applications.

(3) Ceramic Metalized Substrates:

The Company has been deeply involved in thick film printing process technology and thin film electroplating ceramic substrate (DPC, direct plating copper; DBC, direct bonding copper) for many years. The Company has also invested in the development of AMB, the technology of metal brazing of copper to ceramic materials at high temperature and making circuit patterns through lithography processes.

In high brightness lighting market, applications are categorized into: (1) general, outdoor, industrial, and horticultural lighting; (2) automotive headlamp and taillights; and (3) mobile phone flashlights and UVC lighting.

For general lighting, LED served in between 2014 to 2016 have gradually reached the end of their lifespan, there will be a wave of replacement. This replacement cycle is expected to become the primary growth driver for the lighting market over the next five years. By 2028, approximately 78% of LED lighting demand is projected to come from next replacements.

According to Frost & Sullivan (Oct. 2024), the CAGR of horticultural lighting is expected to reach 14.1% between 2025 and 2030. In automotive lighting, technological evolution continues—from LED to Adaptive Driving Beam (ADB) and DLP—offering smarter headlight solutions. According to TrendForce (June 2024), the LED headlamp penetration rate in 2023 reached 72% in conventional passenger vehicles and 94% in electric vehicles. Regionally, penetration rates for LED headlights were 80% in Europe and China, 76% in the U.S., and 74% in Japan. By 2024, LED headlight penetration is estimated to rise to 75% for conventional vehicles and 96% for EVs. ADB headlight penetration was around 3.7% in 2022 and

is projected to reach 17% by 2027, with matrix-type headlights using low chip-count LED packages currently dominating the market.

In the consumer UVC segment, demand is growing due to increasing needs for sterilization, disinfection, and water purification, indicating a promising market outlook.

Laser submount: Tong Hsing has achieved development milestones in high-power laser submount, which are expected to gradually contribute to revenue in the future. In terms of Ceramic Metalized Substrates manufacturing process. In the industrial laser sector, nano- to pico-second lasers are increasingly applied in precision sawing, lithium battery electrode welding, and automotive welding, all contributing to enhanced manufacturing quality. This trend is also driving strong demand for high-power laser submount.

Clean energy: with the expansion of the clean energy market and the energy storage market, various power modules required for AC/DC conversion, power factor correction and output power management are growing rapidly.

Tong Hsing mainly focuses on copper plating, gold plating and silver-plating technology that are applied to alumina and aluminum nitride Ceramic Metalized Substrates. It also features narrower lines and space of traces by lithography process

(4) Image products:

In the CMOS image sensor market, Tong Hsing provides customers with wafer sorting, wafer reconstruction, packaging, module and final test which are mainly used in automotive field, consumer handset devices, tablets, AR/VR, notebook, surveillance, medical imaging and thermal imaging, etc.

In the consumer market, according to IDC (Jan. 2025), smartphone demand grew by 6.4% compared to 2023, primarily driven by Chinese smartphone brands expanding into mid- to low-end segments worldwide. In 2025, this growth momentum is expected to persist at a stable rate of around 2–3%. Additionally, smartphone manufacturers are actively promoting Agent AI features to further stimulate demand, which is expected to contribute to the steady growth of image sensor adoption. Looking into specifications of novel image sensors, the trend has shifted from increasing pixel count to enhancing image quality. As a result, the optical format of sensor in flagship smartphones is increasing from 1/1.56" to as large as 1", leading to larger chip sizes and more wafer demanding.

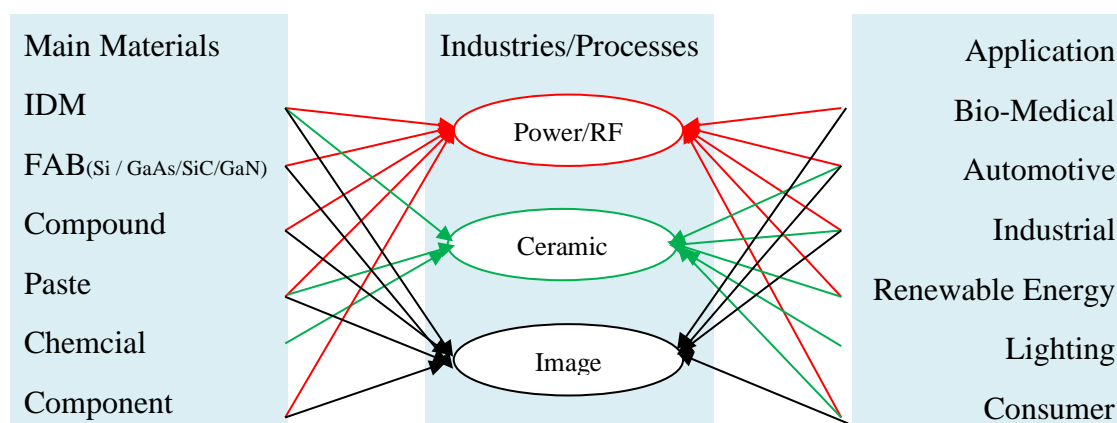
In the automotive application, beyond custom front/rear view and surround view applications, image sensors are now being widely adopted in systems for safety distance measurement, lane centering, active parking assistance, collision avoidance, lane departure warnings, driver monitoring, gesture control, drowsiness alerts, and pedestrian and cyclist detection. As vehicles enter Level III and above in autonomous driving, the adoption of advanced perception modules and sensor fusion technologies will drive significant growth in image sensor demand.

LiDAR has become a key enabler of autonomous driving technologies. In addition to its early adoption by Chinese EV makers, European automakers are also integrating LiDAR into their platforms. 3D sensing and imaging not only complement traditional 2D image sensors but also cover detection distance 250m, 30m, and 10m—effectively enhancing blind spots from imaging systems. As intelligent driving systems continue to evolve, platforms such as Nvidia’s Thor Blackwell and BYD’s DiPilot have incorporated LiDAR into their autonomous driving solutions.

According to Yole (2024), the average number of image sensors installed per vehicle is expected to increase from 2.8 units in 2024 to 3.9 units in 2029.

2. Position among the upstream, midstream, and downstream segments of the industry supply chain.

The relationship between the Company's products and the overall industry can be summarized as follows:



(III) Overview of the Company's technologies and its research and development work

1. Listing of research and development expenditures during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report.

Unit: NT\$ thousand dollars

Year	2024	2025Q1
R&D Expense	511,586	120,716
As % of net revenue	4.23%	4.15%

2. Listing of technologies and/or products successfully developed during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report.

Year	Process Technologies	Product Applications
2024	Active metal brazed on ceramic substrates	Power device
	DPC for high-power laser applications	Industrial
	AMB substrates with Ag sinter joint for heat sink.	Power device
	Optical communication module for datacenter interconnect	Optical communication
	Top side cooling power module	Power device
	Testing and development of SiC power module/discrete	Power device
	Anti-flare image sensor packaging	Automotive
	mPBGA image sensor packaging	Automotive
	Stacked image sensor packaging	Automotive

(IV) Long-Term and Short-Term Business Development Plan:

1. Short-Term Business Plan

- (1) Proactively develop next-generation products in line with market trends and customer product plans.
- (2) Provide the services with good value and novel technologies for increasing market share.
- (3) Expand new business relationships by leveraging the current sales network.
- (4) Establish project management of each product line and effectively allocate internal resources to serve customers promptly.

2. Long-Term Business Plan

- (1) Build up strategic partners from components, materials and intellectual property aspects to ensure a leading position in technology.
- (2) Expand investment in next-generation products and necessary technologies.
- (3) The Company devotes packaging solutions followed by revolution of automotive in intelligence and electrification, high-dense telecom & datacom, industrial, mobile, medical, and clean energy
- (4) Enhance synergy of production sites between Taiwan and Philippine to maximize production resilience.
- (5) Accelerate product and service development in high-performance computing (HPC) applications.
- (6) Conduct studies and planning for front-end semiconductor manufacturing processes.

II. Analysis of the Market as well as the Production and Marketing Situation

(I) Market Analysis

1. Geographic areas where the main products (services) of the Company are provided (supplied)

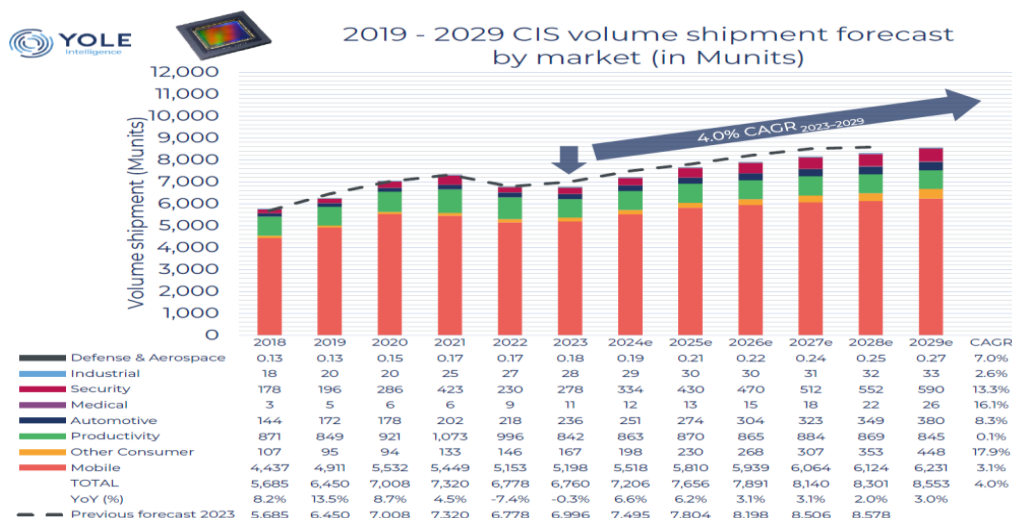
Unit: NT\$ thousand dollars

Regions	2024 Sales Regions and Weights	
	Net Revenue	%
Americas	7,484,708	61.90%
Asia	2,525,568	21.44%
Europe	1,571,089	12.99%
Other	509,629	3.67%
Total	12,090,994	100.00%

Note: Based on the country of the customer's headquarters.

2. Market Share

According to report from Yole 2024, the global demand for CMOS image sensors in the automotive sector in 2024 is projected to reach 251 million units, with the Company's market share estimated to be approximately 38.2%. The compound annual growth rate of the automotive market in the next 5 years is about 8.3%. The outlook for the automotive image sensor market remains positive and its growth in demand is expected to continue.



Source: Yole (2024)

3. Strengths, Weaknesses, Opportunities and Threats of The Company and its Strategy

The market, industry competition and diversified development trend have been outlined in "Chapter4 I. (II) Overview of industry" of this annual report. The industrial profile, competitive niches, strengths, weaknesses and its strategy are briefly stated as follows:

(1) Competitive niches and strengths:

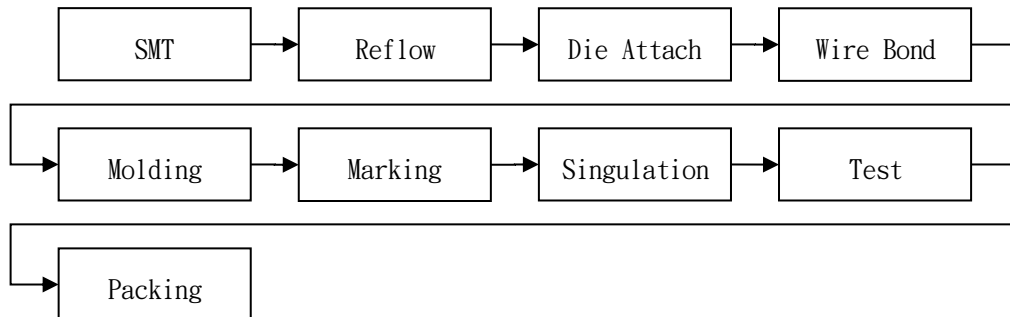
- A. The Company has ranked the first in the industry in terms of the production scale of ceramic circuit boards and image products in automotive and runs high volume production of tier 1 companies. Currently, the power discrete and modules required for electric vehicles and smart grid have been deployed, which will be the new dynamics to the future growth.
- B. The Company has been engaged in module assembling services for more than two decades. The company has in-depth knowledge of industry trends and deep involvement of co-development with customers. Apart from the advanced technological development, the Company constantly improves itself in material, process, and manufacturing quality, product yield and cost structure, so as to form stronger competitiveness.
- C. Continue to deploy automotive image sensor packaging patents to strengthen competitiveness and entry barriers.
- D. The Company proactively invests in automotive, telecommunications, data communication, industrial, mobile, medical, and energy sectors to assure the leadership in the market.
- E. The Company has long-term partnership with global strategic customers and suppliers. It keeps fulfilling customers' needs and seizing market opportunities.
- F. Amid the challenges of geopolitical issue, our Philippine plant can be deployed as a contingency site. It has been running for over 30 years, we can seamlessly response to customer demands for diversified supply chain without the lead time for factory construction, system building up and labor force established.

(2) Weaknesses and Strategy

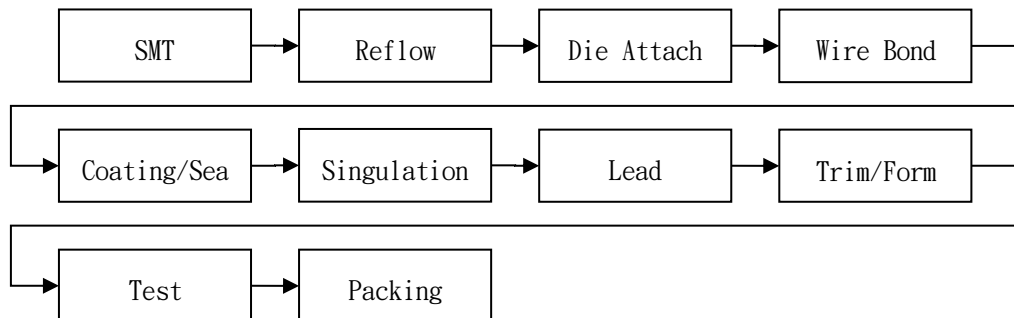
- A. With the gradual maturity of LED technology, the market competition is gradually developing towards price competition and rapid changes, and major international enterprises have also outsourced non-vehicle lighting LEDs to mainland China manufacturers to reduce production costs. In the aspect of image sensors, the leading chip supplier has continued to expand its market share in recent years, squeezing out the share of suppliers after 2nd place. As a result, those suppliers are adjusting themselves and actively exploring orders in the new market.
- B. Affected by US-China trade conflict which may lead supply chain disruption, Chinese government's subsidy policies supporting chip localization, Chinese customers have been compelled to implement localized semiconductor manufacturing plans. In the image sensor for mobile, these initiatives cover the entire supply chain — from wafer fabrication and color filter production to wafer testing and wafer reconstitution. Our company has indeed been affected in the area of mobile image sensor wafer reconstitution. In response, we have shifted our focus toward high-end products and are actively extending our wafer reconstitution capabilities into the fields of optical communication and power devices.
- C. The development cycle for new products requiring high reliability is generally longer than that of consumer products, resulting in a lengthier timeline to mass production. The Company remains proactive in addressing customer requirements and closely monitors industry developments, making timely adjustments during the development phase and implementing change management processes to effectively respond to market needs.
- D. In recent years of uphill demand in semiconductor industry, shortage of labor forces has become an issue in Taiwan. Also, Taiwan government intensify this issue by more restricted law for hiring foreign labor. The Company will increase investment in machinery and equipment, strengthening the automation of production in Taiwan as industry transformation and move labor-intensive products overseas with comparative advantage of labor cost.

(II) Usage and manufacturing processes for the Company's main products

1. RF Module: RF Power Amplifier and front-end modules of mobile phones, and broadband digital communication modules.

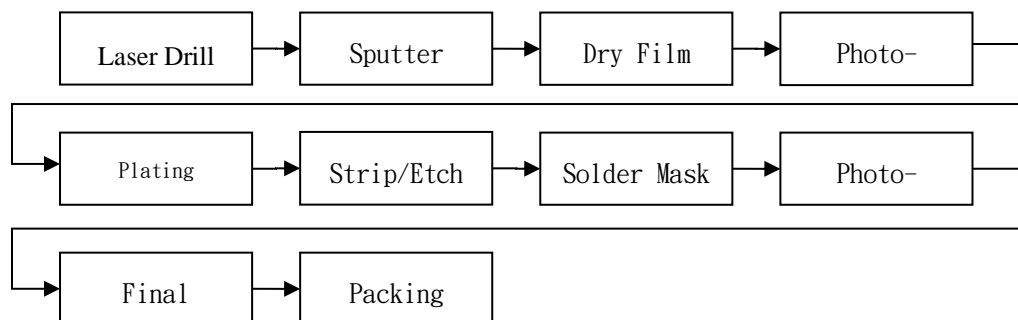


2. Thick Film Hybrid Integrated Circuits: Automotive, navigation/communication equipment, medical sensors, etc.



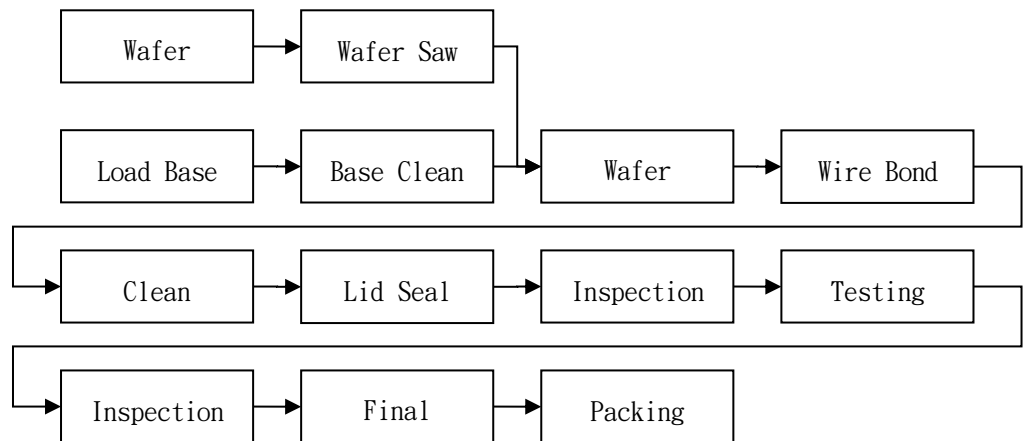
3. Ceramic Metalized Substrates: High brightness LED, general lighting, vehicle lighting, laser, industrial automatic control, RF switches, semiconductor devices, etc.

A. Plated Ceramic Substrates

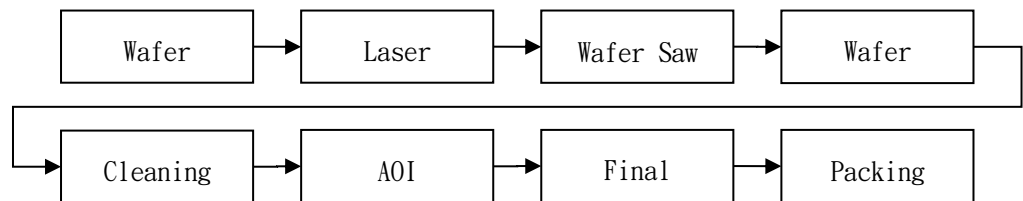


4. Image sensors: Automotive: reverse cameras, lane divider tracking, blind spot monitoring during turns, front and rear wheel monitoring, remote obstacle monitoring, and dash cams., driver monitoring system, pedestrian collision warning. Consumer electronics: Digital cameras, digital video recorders, and mobile phones. IT electronics: laptop computers and monitors: Industrial control and safety monitors: Products with image and video recording functions.

(1) Image sensor packaging



(2) Image Sensor Reconstructed Wafer



(III) Supply situation for the Company's major raw materials

Major Raw Materials	Source of Supply	Supply Situation
PCB	China, Japan, Switzerland, Taiwan	Abundant
Substrate	United States, Japan, Malaysia, China, Taiwan	Abundant
Epoxy	United States, Japan, China, Taiwan	Abundant
Glass Lid	Japan, China, Taiwan	Abundant
Wire	Japan, Singapore	Abundant
IC	United States, China	Abundant
Tape	Japan, Korea, Malaysia, China, Taiwan	Abundant
PKPGC	Taiwan	Abundant

(IV) Any suppliers and clients accounting for 10 percent or more of the Company's total procurement (sales) amount in either of the 2 most recent fiscal years, the amounts bought from (sold to) each, the percentage of total procurement (sales) accounted for by each, and an explanation of the reason for increases or decreases in the above figures

1. List of major suppliers with over 10% of the total purchase in the last two years

Unit: NT\$ thousand dollars

Item	2023				2024				2025 (as of March 31)			
	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percentage to Net Purchase in 2025 up to the First Quarter (%)	Relation with Issuer
1	Company G	741,866	18.67	None	Company G	769,122	18.28	None	Company G	184,880	18.75	None
2	Company H	417,268	10.50	None	Company H	447,128	10.62	None	Company H	117,377	11.90	None
3	Other	2,814,123	70.83	-	Other	2,992,242	71.10	-	Other	684,032	69.35	-
	Net Total Purchases	3,973,257	100.00		Net Total Purchases	4,208,492	100.00		Net Total Purchases	986,289	100.00	

Reason for the Change:

Due to the changes in market supply and demand, product mix, and the Company's stock strategy.

2. List of major clients with over 10% of the total sales in the last two years

Unit: NT\$ thousand dollars

Item	2023				2024				2025 (as of March 31)			
	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percentage to Net Sale in 2025 up to the First Quarter (%)	Relation with Issuer
1	Company I	3,140,728	27.11	None	Company I	2,730,878	22.59	None	Company J	658,824	22.65	None
2	Company H	1,890,528	16.32	None	Company H	2,114,447	17.49	None	Company I	540,871	18.60	None
3	Company J	1,688,867	14.58	None	Company J	2,022,614	16.73	None	Company H	475,439	16.35	None
4	Other	4,864,786	41.99	-	Other	5,223,055	43.19	-	Other	1,233,528	42.41	-
	Net Total Sales	11,584,909	100.00		Net Total Sales	12,090,994	100.00		Net Total Sales	2,908,662	100.00	

Reason for the Change:

Due to changes in market supply and demand, and the customer's adjustment of the order amount.

III. The Number of Employees Employed for the Two Most Recent Fiscal Years, and During the Current Fiscal Year up to the Date of Publication of the Annual Report

Unit: person; age; year

Item/ Year		2023	2024	2025 (as of April 18)
Number of Employees	Direct labor	1,842	1,763	1,631
	Indirect labor	979	1,269	1,313
	Management	413	382	430
	Total	3,234	3,414	3,374
Average Age		42.7	36.6	36.6
Average Years of Service (Years)		8.0	7.8	7.7
Academic distribution ratio (%)	Ph.D.	0.31	0.18	0.18
	Masters	9.58	8.52	8.72
	Bachelor's Degree	53.93	53.37	51.45
	Senior High School	34.54	35.00	36.63
	Below Senior High	1.64	2.93	3.02

Note : The number of employees include the employees of Tong Hsing Philippines.

IV. Disbursements for Environmental Protection

- (I) 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 (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions):

There were no penalties for violation of environmental protection laws and regulations in the most recent fiscal year up to the publication date of the Annual Report.

- (II) Estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken: None.

- (III) Promoting sustainable development - Environmental issues

- The Company has set up sewage treatment equipment and has special personnel to comprehensively handle related environmental protection matters and has obtained a waste (sewage) water discharge permit and has passed the international ISO-14001 environmental management system certification. In 2024, the Taipei Plant, Bade Plant, Longtan Plant, and Zhubei Plant successfully completed the integrated certification of ISO 14001 and ISO 45001.

ISO14001 Certificate validity period	ISO45001 Certificate validity period
12/31/2024~12/30/2027	12/31/2024~12/30/2027

- The Company shall continue to provide a safe and healthy work environment to employees, preventing occupational injury and health risks to sustain a culture where EHS is given the same priority as business performance.
- The Company counts water consumption, electricity consumption and total weight of waste on a monthly basis, sets improvement targets and reduction targets for water saving, energy saving and pollution prevention, reviews the annual implementation

results at the end of each year, and formulates targets for the next year.

Greenhouse gas emissions, water consumption and total waste weight for the last two years are as follows,

Item	Medium-term Goal	2023	2024
Scope1 and Scope2 Greenhouse gas emissions (CO ₂ e)	30% carbon reduction by 2030 The annual target power saving is greater than 2%	63,599	64,624
Water Consumption (m ³)	The annual target water saving is greater than 2%	1,204,882	1,338,726
Total Weight of Waste (T)	Target waste reduction >5% per year	1,680	1,626

For the above medium-term goals, the Company takes the following measures,

- (1) Replacing old equipment, promoting energy-saving awareness, purchasing new high-efficiency equipment, constructing a circular economy model, optimizing process wastewater recycling technology, and promoting waste reduction and reuse, etc.
 - (2) To reduce pollution in the environment, save energy, and reduce carbon emissions, the Company will continue to evaluate the recycling and reuse of wastewater created by general use or production. We shall also adopt variable frequency drives to the related sewage system based on evaluation results to reduce electricity consumption and comply with the regulations of the central competent authority on energy conservation.
 - (3) The Company has been conducting greenhouse gas inventories in all plants since 2022, and the results are reported to the Board of Directors every quarter. Furthermore, the Company underwent external certification by a third-party international certification body from 2023. The 2024 certification results showed that the total greenhouse gas emissions from Categories 1 to 6 in all plants, including the Philippine Plant, are 146,918.539 metric tons of carbon dioxide equivalent, with the Philippine Plant accounting for 19.81%. Among the emissions, direct emissions of Category 1 greenhouse gas emissions are 763.6594 metric tons of carbon dioxide equivalent, with the Philippine Plant accounting for 41.75%. Indirect emissions from the purchase of energy sources of Category 2 greenhouse gas emissions are 63,860.0185 metric tons of carbon dioxide equivalent, with the Philippine Plant accounting for 28.60%. The remaining indirect greenhouse gas emissions are 82,294.861 metric tons of carbon dioxide equivalent, with the Philippine Plant accounting for 12.78%.
 - (4) At present, the Company's products have fully met the European Union ROHS regulations (environmental protection). The company also implements the waste removal plan to carry out legal waste removal and resource waste recycling.
4. The Company has established a sustainable development committee in 2022, and will assess the current and future potential risks and opportunities of climate change on the Company, using four aspects: "Governance", "Strategy", "Risk Management" and

"Indicators and Goals", formulate strategies and actions in response to climate change, jointly identify and implement the impact of climate-related risks and opportunities on the Company, and identify potential risks and new business models that may be caused by climate.

V. Labor Relations

The Company supports and follows the rights and interests revealed in the "United Nations Universal Declaration of Human Rights", "United Nations Global Covenant", "Conventions of International Labor Organizations", "Responsible Business Alliance RBA Code of Conduct" and various international human rights conventions to create a work that fully protects human rights Environment, formulate relevant management measures to protect employees' right to work, humane treatment and prohibition of child labor, gender and racial discrimination. In 2024, the total man-hour of the Human Rights training courses was 14,080.52 hours.

Course training of Human Rights in 2024

Unit: hours

Course	General training	Workplace Violence Prevention	Safety of Workplace	Gender equality protection	Total
Hour	7,518.63	1,512.07	3,917	1,132.82	14,080.52

(I) Employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests:

1. The employee's benefits related to measures are as follows to provide physical and mental relaxation, and enhance mutual communication:

(1) Employee benefit plan:

To ensure that our employees are devoted to work when working and relieve their family from financial burdens, apart from the relevant laws and regulations, we also provide extra insurance to employees to protect them in case of casualties or hospitalization. Employees also receive special subsidies for weddings and funerals, according to the Company's regulations for the matter.

(2) Professional physicians are appointed to offer medical care services and conduct various health promotion knowledge advocacy and other activities.

(3) The Company provides the employees with a variety of meals (canteen, vegetarian, staff meals or light meals for Filipino employees) and dormitory.

(4) Employee benefits plan also includes cash gifts for birthday and National holidays.

(5) The Company also establishes independent medical and nursing room which opens 24 hours day.

(6) The Company has appropriated more than NT\$26,451 thousand in 2024 to fund the employee welfare committee:

- A variety of club activities with subsidy mechanism are set up, such as jogging club and other clubs.
- Periodically holds employee communication meetings.

- Employee travel.
- Birth subsidy, scholarship, hospitalization subsidy, catastrophic illness subsidy.
- Holiday bonus and birthday gift money

2. Retirement system and implementation status

In order to provide employees with safety and security at work, the Company has formulated specific measures below per the laws and regulations:

- (1)The Company appropriates the retirement reserves every year pursuant to the “Labor Act”. Adequate appropriation of the retirement reserves is made through a professional actuary. The pension is calculated based on the service length of the employees and the average salary of the employee over the 6 months before retirement.
- (2)In addition, pursuant to the Regulation on Labor Pension, 6% of the monthly salary of the employee (the new retirement system) will be appropriated to the pension and is deposited in the special individual pension account with the Labor Insurance Bureau. The annual salary of the employees before July 1, 2005, was retained in this account.
- (3)In addition to complying with the aforementioned relevant retirement laws and regulations, in order to express gratitude towards employees for their contributions, the Company has prepared commemorative medals for retirement as a token of its appreciation towards the retirees for their contribution.

3. Continuing education and training

(1)On-the-Job Learning:

To implement the concept that "Employee growth drives the company progress", the Company provides domestic and international courses for related training from time to time to enhance professional knowledge of our employees and cultivate talents. The Company's internal training courses include ordinary training, professional and skills training, managerial function training, quality and occupational safety training, etc. In 2024, the total man-hour of the training courses was 94,255.64 hours.

Course training category in 2024

Unit: hour

Course	General training	Professional skills training	Management function training	Quality and occupational safety training	Total
Hour	6,998.2	49,801.65	439.7	37,016.09	94,255.64

(2)Education Subsidies:

We highly value our employees' and their children's education and provide scholarships when qualifications are met.

(3)Company Celebration and Sports Events:

To relieve the daily work pressure of employees, the Company holds various recreational events and gatherings from time to time.

4. Employee communication or disputes:

Since our establishment, we've been committed to establishing a trustworthy, cooperative working atmosphere and environment to form a harmonious relationship with the employees and to discuss and resolve problems as they arise.

All provisions concerning employee benefits are implemented in accordance with the relevant laws and regulations. Any new or revised provisions will be finalized after a thorough discussion by both parties. As the Company has not yet established a labor union, no collective bargaining agreement has been executed.

The following measures are taken to prevent future labor disputes:

- (1) Implement an employee benefits plan that is superior to the "Labor Act" requirements.
- (2) Hold labor meetings on a regular basis
- (3) Provide extra channels to facilitate communication between management and employee.
- (4) Reinforce Labor-Management Ethics
- (5) Establish employee's complaint channels.
- (6) Appoint interpreters to assist the foreign peers for smooth communication and offer them with feedback channels.
- (7) Formulate the "Code of Conduct" for all employees.

5. Workplace diversity and equality

In 2024, the gender ratio of employees was 42.57% for male employees and 57.43% for female employees. In 2024, the ratio of management employees (direct/indirect) was 54.49% for male employees and 45.51% for female employees.

The Company adheres to the principle of equal pay for equal work for new-hires, annual salary increase, performance appraisal and promotion, which will not be affected by gender. Filipino employees are also entitled to same benefits as Taiwanese employees. There is no difference in salary calculation in attendance between Filipino employees and Taiwanese employees. In addition, to cater for employees' special needs for families or individuals, employees regardless of nationality are offered the option of taking leave without pay for their flexible use.

6. Operating performance reflected in employee compensation

(1) Article 19 of Articles of Incorporation

The Company shall appropriate no less than 3% of the earnings as employee compensation when the operation is profitable for the year (meaning the pre-tax net income before employee compensation and director remuneration).

(2) Overall compensation policy

The Company attends market compensation survey and conducts below policy to ensure the Company's competitiveness in compensation.

- A. Based on the operating profits of each business unit and with reference to individual performance evaluations, quarterly bonuses, annual bonuses, and year-end bonuses are planned and distributed to achieve a differentiated

compensation strategy based on individual performance.

- B. Based on the Company's outlook and profitability, the operating performance of each business division, as well as the external market salary levels, individual job responsibilities, previous year's performance appraisal and position salary caps, the 2024 annual salary increase rate was over 3% last year.

7. Protective measures for work Environment and employees' personal safety:

The Company follows the Labor "Safety and Health Act" and its implementation rules, and the relevant regulations.

The key routine environmental safety and health management achievements in 2024 were as follows:

Target	Description	Results
Testing for Drinking Water Quality	Testing of the concentration of coliform bacteria contained in the drinking water machines is performed through samples every three months pursuant to the "Management Measures Regarding Use and Maintenance of Continuous Water Supply Fixed Equipment for Drinking Water" in order to protect drinking water hygiene and quality, and employee's health.	Quantity of tested drinking water machines:80sets Percentage of pass: 100%
Detection of working environment	Detection of carbon dioxide, noise, and chemical substances in the workplaces is performed pursuant to the "Implementation Rules for Monitoring of Workplace" to analyze the concentration of the chemical substances in the environment through the samples from machines, equipment, operation or environment that uses or stores chemicals so as to protect the employees from and against physical and chemical hazards.	Tested 935 items in total Percentage of pass: 100%
Health Examination	General and special physical examination will be performed for the employees working in specific workplaces every two years.	General physical examination:2,053 Employees Physical examination for special type of work:256 employees
Environmental Protection and Labor Safety Training Subject to the "Rules for Occupational Safety and Health Education and Training".	The following education and training are organized to protect the employee's safety and health: 1. Occupational safety and health training for new employees: to establish employee's awareness of safety and health. 2. Occupational safety and health training for exist employees: to establish employees' awareness of general safety and health hazards to prevent occupational accidents. 3. General hazard training for exist employees: to establish employee's awareness of chemical hazards and teach them how to use protective supplies. 4. Mechanical equipment safety training for exist employees: to establish employees' awareness of mechanical equipment operation hazards and key considerations for maintenance and servicing. 5. In-service labor security, firefighting, fire extinguishing, and refuge refresher training. 6. Emergency response drills every quarter in every plant. 7. Irregularly hold traffic safety driving seminars.	1.Occupational safety and health training for new employees : 324 employees 2. Occupational safety and health training for exist employees : 2,025 employees 3.General hazard training : 2,072 employees 4.Mechanical equipment safety training for exist employees: 1,957 employees 5.Emergency response drills :

Target	Description	Results
		1,336 employees
Patrol Inspection, Safety Check-up and Internal Audit	<ol style="list-style-type: none"> 1. Daily environmental safety and health patrol inspection and audit 2. Execution of “Safety Checking of High-Risk Machines and Equipment”. 3. Periodical environment, safety and health committee. 4. Internal audit of environmental safety and health management system. 	<ol style="list-style-type: none"> 1. Periodical checking of tread depth of motor vehicles : 3,068 motor vehicles 2. Periodical environment, safety and health committee 2. Executing Internal audit yearly
Greenhouse Gas Control	The Company assesses the economic and technological feasibility and reduces greenhouse gas emission.	Check the gas concentration, and declare the importance of environmental protection according to laws as basis of gas emission reduction
Four Protection Plans	<ol style="list-style-type: none"> 1. Promote human hazard prevention programs. 2. Driving Abnormal Workloads to Trigger Disease Prevention Programs. 3. Promoting the prevention plan for illegal infringement in the execution of duties. 4. Promote maternal health protection plan. 	<p>Promote human hazard prevention : 22 employees</p> <p>Abnormal Workloads to Trigger Disease : 29 employees</p> <p>Unlawful Infringement in the Performance of Duties : 4 employees</p> <p>maternal health protection : 27 employees</p>

8. Specific Measures and Implementation Results for the Prevention and Control of Employee Obesity, Hyperglycemia, Hyperlipidemia, and Hypertension.

Plant	Specific Measures and Implementation Results
Taipei Plant	<p>1. Employee health check-ups are conducted once every two years. Based on the results, employees are categorized and provided with follow-up management, health guidance, occupational physician care, and health consultations.</p> <p>2. In the fourth quarter of 2024, a 10-week fitness points and weight loss campaign was held, with 58 employees participating. A total of 21,150 fitness points were accumulated through activities such as walking 10,000 steps a day, hiking, and jogging. The participants collectively lost 114.5 kilograms in weight, averaging approximately 2 kilograms per person.</p> <div data-bbox="443 591 880 822"> <p>Pre-loss weight Body Mass Index percentage</p> <p>Post-loss weight Body Mass Index percentage</p> </div> <p>3. The Blood pressure monitor and a weighing scale and are available in the medical room to promote employees' self-health management.</p> <p>4. Relevant health education materials are distributed from time to time, covering topics such as the "722 Rule" for accurate blood pressure measurement and metabolic syndrome awareness.</p>
Bade Plant	<p>Specific Measures: Identifying Target Groups and Health Interventions</p> <p>1. Identify employees with "Three Highs" and chronic diseases through yearly health examinations.</p> <p>2. Diversified Health Management Interventions:</p> <ol style="list-style-type: none"> (1) Occupational health professionals regularly follow up with identified cases through letters, Teams messages, and in-person consultations. Personalized health management is provided, integrating diet, exercise, and medical treatment to mitigate the health impact of the Three Highs. (2) Observe employees' attitudes toward health management and implement phased management strategies according to their readiness. The goal is to cultivate a positive health mindset and promote self-health management. (3) For employees who are unable to effectively control their condition or develop a healthy attitude, workplace physicians assess the situation and implement appropriate job placement and risk control measures. <p>3. Health Promotion Campaigns: Foster healthy lifestyle habits among employees by providing a variety of health resources, including educational materials on the Three Highs, healthy eating, and metabolic syndrome. A blood pressure monitor can record personal data for self-monitoring which is available in the medical room. Employees are also encouraged to take advantage of the Health Promotion Administration's free adult health check-up services.</p> <p>4. Health Promotion Activities: Organize health talks on the Three Highs and weight loss programs, encouraging all employees—especially those with chronic diseases or metabolic conditions—to actively participate. Regular blood donation drives are held. Set up a badminton court, and the employee welfare committee provides funding support for self-organized fitness clubs, such as the "LOHAS Fitness Club." Additionally, a health points program is implemented to motivate ongoing healthy behaviors, where employees upload records of physical activities to accumulate points that can be redeemed for rewards.</p>

Plant	Specific Measures and Implementation Results
	<p>Implementation Results:</p> <ol style="list-style-type: none"> The proportion of employees classified as having the Three Highs or metabolic syndrome decreased from 19.7% to 18.2%. The proportion of employees classified as obese ($BMI \geq 27.0$) decreased from 29.5% to 26.7%. A total of 87 employees with the Three Highs or chronic conditions achieving an overall improvement rate of 76% after a health management. Among them: <ol style="list-style-type: none"> 66 employees showed improvement upon follow-up evaluations and transitioned to self-health management. 21 employees remain under follow-up and medical treatment to prevent progression or worsening of chronic conditions. For those requiring risk control, 2 were referred for medical treatment and 3 had restrictions placed on overtime work. Health Education Materials: <p>January: 16:8 Intermittent Fasting & the 2:1:1 Plate Method</p> <p>February: Diabetes Awareness</p> <p>March: The "722 Rule" for Accurate Blood Pressure Monitoring</p> <p>June: Healthy Dumpling Tips for the Dragon Boat Festival</p> <p>July: 8 Smart Tips for Eating Out Healthily</p> <p>August: Fatty Liver Awareness</p> <p>November: Managing High Cholesterol</p> <p>December: Myocardial Infarction (Heart Attack) Awareness</p> Use of Health Resources: <p>The self-service blood pressure monitor was used 360 times throughout the year.</p> In-Person Health Education Sessions: <p>Topics included metabolic syndrome and hepatitis prevention, nutritional intake, overcoming weight loss plateaus, and interpreting health check-up reports. A total of 75 participants attended these sessions. Additionally, 78 participants took part in blood donation activities.</p> Weight Loss Program: <p>28 participants collectively lost a total of 105.6 kilograms.</p> <p>Fitness Technology Assessment: A total of 118 employees participated in the tech-based physical fitness assessment.</p> <p>Health Points Program: There were 374 total participations in the health points activity.</p>
Longtan Plant	<ol style="list-style-type: none"> Build up a Healthy Lifestyle <ol style="list-style-type: none"> The company promotes workplace tobacco control by implementing handling procedures for violations of the Tobacco Hazards Prevention Act, including a reward and penalty system. The policy clearly prohibits the use of alternative tobacco products such as e-cigarettes and heated tobacco, along with specified penalties. Smoking cessation support is provided through in-house clinics or referrals, and smoking cessation awareness courses are organized to encourage employees to quit smoking. Risk Factor Management <ol style="list-style-type: none"> The company provides high-quality health check-ups every two years, including for foreign employees. The check-up items exceed regulatory requirements and include one-on-one report consultations. Based on the results, employees are categorized and managed accordingly. A "Group Weight Loss Challenge" and nutrition seminars were organized to educate employees on the six major food groups, helping them better understand food composition and make smarter dietary choices. The program achieved a total weight loss of 83.8 kg and a total body fat reduction of 48.3%, with an average of 3.3 kg weight loss and 1.9% fat reduction per participant. Employees are encouraged and rewarded for participating in both internal and

Plant	Specific Measures and Implementation Results
	<p>external physical activities, such as hiking, running, walking, and weight loss programs. These efforts help cultivate regular exercise habits. A “Health Passport” points system allows participants to redeem rewards, further reinforcing healthy behaviors.</p> <p>(4) In collaboration with local public health and medical institutions in Longtan, the company promotes various health initiatives, including cancer screenings.</p> <p>(5) The company has been awarded the “Healthy Workplace Certification – Health Promotion Badge” by the Health Promotion Administration, Ministry of Health and Welfare.</p> <p>(6) There are six AEDs throughout the plant, ensuring access within four minutes in case of emergency, significantly improving emergency response efficiency. Additionally, 70% of employees have completed CPR and AED training, and the company has obtained “Safe Space” certification.</p> <p>3. Chronic Disease Management</p> <p>Chronic disease management is provided for employees with the Three Highs (hypertension, hyperlipidemia, and hyperglycemia), cardiovascular diseases, and diabetes. Follow-up care is conducted in conjunction with overwork hazard prevention measures, such as setting limits on overtime hours and implementing overwork prevention plans for employees.</p>
Zhubei Plant	<p>1. Blood pressure monitors are available in both the medical room and office areas to encourage employees to pay more attention to their health and to make regular blood pressure checks more convenient.</p> <p>2. A one-on-one health check-up report consultation session was held on July 9, with 34 participants. The session helped raise employees’ awareness of their own health, provided guidance on ways to improve it, and encouraged the development of healthy lifestyle habits.</p> <p>3. A nutrition seminar was held on July 19, with 18 participants. Employee feedback indicated that the healthy plate concept was highly beneficial.</p> <p>4. A blood pressure measurement activity was organized on July 23, with 24 participants. The event helped raise awareness of the importance of blood pressure monitoring and encouraged employees to develop the habit of regular checks.</p> <p>5. A weight loss program was held from July 15 to September 30, with 46 participants achieving a total weight loss of 161.1 kilograms.</p> <p>6. The dates of on-site occupational health consultations are announced monthly via email, allowing employees to sign up freely and receive personalized health advice.</p>

(II) Losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

VI. Cyber Security Management

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

1. Information and communication security risk management structure:

The Company has an information security office (Including one person in charge of information security and one person in charge of information security) to plan and implement information security matters concerning confidential information of the Company and to review and decide relevant information security management matters. In compliance with the information security standard ISO 27001:2022, the Information Security Management Committee was established.

2. Information and communication security policy:

To ensure the integrity of the Company's information security policy, the Company has established and implemented an information security policy in accordance with the ISO 27001:2022 standard, the Company's information security policy covers all of its employees, suppliers, contractors and third parties who may have access to the Company's information. The company's information security policies are reviewed annually in response to regulatory changes, information security technology updates and the company's business development.

3. Goal of information and communication security and specific management plan:

To ensure that the Company's confidential information is properly protected from unauthorized access, alteration, destruction, improper disclosure or cyber-attack by appropriate hierarchical control of confidential information, education and training for all staff and advanced information security control equipment.

The Company implements specific information security management plans as follows:

- (1) Through firewall and information block division, internal, external, office area, production line area is divided into different security zones that have firewalls for information security defense.
- (2) Regular vulnerability scans are conducted to prevent potential risks.
- (3) Advanced information security solutions are continuously introduced to effectively protect and manage behaviors in systems, host computers and networks.
- (4) ERP, MES and other company database system should have complete daily backup and should be verified its restoration function according to the Company's needs. This is considered as the last line of defense against infection encryption ransomware attacks, so as to ensure that the database and data can safely restore operation.
- (5) Phishing mails and virus mail intrusion are prevented by spam control mechanism and regularly conducts email social engineering drills.

4. Resources invested in information and communication security management: The Company has a dedicated information security staff in the information security room,

and regularly conduct the information security education and training courses for new employees and current employees. The total number of hours of the information security education and training courses in 2024 is 2,409 hours.

- (II) List any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

VII. Important Contracts

Agreement	Parties	Period	Major Contents	Restrictions
Medium-term loan contract	Hua Nan Commercial Bank	2021.04~2026.04	Action for Accelerating Investments of Enterprises in Taiwan	None
Medium-term loan contract	Mega International Commercial Bank	2021.04~2028.04	Action for Accelerating Investments of Enterprises in Taiwan	None
Long-term loan contract	Chang Hwa Commercial Bank	2021.04~2031.04	Action for Accelerating Investments of Enterprises in Taiwan	None

Chapter 5 Review and Analyze Financial Position, Performance and Assess the Risks

I. Financial Position

Comparative Analysis of Financial Status

Unit: NT\$ thousand dollars

	2024	2023	Difference	
			Amount	%
Current Assets	11,187,943	9,137,639	2,050,304	22.44
Property, Plant and Equipment	11,358,470	11,876,485	(518,015)	(4.36)
Intangible Assets	8,186,491	8,275,657	(89,166)	(1.08)
Other Assets	3,882,675	4,372,649	(489,974)	(11.21)
Total assets	34,615,579	33,662,430	953,149	2.83
Current Liabilities	4,887,570	3,485,037	1,402,533	40.24
Non-current Liabilities	3,895,150	5,735,938	(1,840,788)	(32.09)
Total liabilities	8,782,720	9,220,975	(438,255)	(4.75)
Equity Attributable to Shareholders of the Parent	25,787,285	24,441,455	1,345,830	5.51
Share capital	2,090,581	2,090,581	-	-
Capital Surplus	15,117,641	15,115,876	1,765	0.01
Retained earnings	8,503,370	7,256,214	1,247,156	17.19
Others Equity	75,693	(21,216)	96,909	456.77
Treasury stock	-	-	-	-
Non-controlling interests	45,574	-	45,574	100.00
Total Equity	25,832,859	24,441,455	1,391,404	5.69

Description and explanation of significant changes (over 20% before and after change, with change amount of up to NT\$ 10 million or more):

1. Increase in current assets:

Mainly due to the increase in financial assets this year.

2. Increase in current liabilities and the decrease in non-current liabilities:

Mainly due to the reclassification of long-term loans from non-current liabilities to current liabilities based on maturity.

3. Increase in others Equity :

Mainly due to the increase in exchange differences on translation of financial statements of foreign operations.

4. Non-controlling interests :

Multi-field Holdings Corporation has been included in the consolidated entities starting from the 4th quarter of 2024, as the Company is deemed to have substantive control over it. As a result, non-controlling interests have been recognized.

II. Financial Performance

(I) Financial Performance

Unit: NT\$ thousand dollars

Item \ Year	2024	2023	Increase (Decrease) Amount	% of Change
Operating revenue	12,090,994	11,584,909	506,085	4.37
Gross profit	3,325,898	2,787,536	538,362	19.31
Net Operating Income	1,742,861	1,418,247	324,614	22.89
Non-operating Income and Expenses	179,572	(23,195)	202,767	874.18
Income before Income Tax	1,922,433	1,395,052	527,381	37.80
Income from Continuing Operations	1,718,449	1,150,513	567,936	49.36
Loss from Discontinuing Operations	-	-	-	-
Net Income	1,718,449	1,150,513	567,936	49.36
Other Comprehensive Income (Loss), After Tax	131,704	16,480	115,224	699.17
Comprehensive Income	1,850,153	1,166,993	683,160	58.54
Net Income Attributable to Shareholders of the Parent	1,713,825	1,150,513	563,312	48.96
Net Income Attributable to Minority Equity	4,624	-	4,624	100.00
Comprehensive Income Attributable to Shareholders of the Parent	1,845,804	1,166,993	678,811	58.17
Comprehensive Income Attributable to Minority Equity	4,349	-	4,349	100.00

Explanations for significant changes (over 20%):

1. Increase in net operating income:

Mainly due to the increase in revenue and changes in the sales product mix, leading to a corresponding rise in gross profit.

2. Increase in non-operating income and expenses:

Mainly due to the increase in foreign currency exchange benefits due to changes in exchange rates.

3. Increase in income before income tax and net income:

Mainly due to the increase in operating revenue and gross profit margin.

4. Increase in other comprehensive gains and losses (net):

Mainly due to the increase in the exchange difference between the defined benefit plan and the translation of financial statements of foreign operating institutions this year.

5. Increase in the total comprehensive profit and loss:

Mainly due to the increase in the profit of the year, the defined benefit plan and the exchange difference in the translation of the financial statements of foreign operating institutions.

III. Cash Flow

(I) Analysis cash flow changes during the most recent fiscal year

Unit: NT\$ thousand dollars

Cash at Beginning of Year	Net Cash Flow from Operating Activities	Net Cash Flow from Investing and Financing Activities	Effect of Change to Exchange Rate	Cash balance (Deficit)	Remedial Measures for Cash Inadequacy	
					Investment Plan	Financing Plan
4,746,867	572,548	(2,395,970)	84,461	3,007,906	-	-

Net cash outflow decreased by NT\$ 1,010,941 thousand compared with that of the previous period mainly because:

Item	2024	2023	Increase (decrease) in Net Cash Inflow (Outflow)
Operating Activities	572,548	2,430,613	(1,858,065)
Investing Activities	(1,572,036)	(3,904,675)	2,332,639
Financing Activities	(823,934)	(1,274,146)	450,212
Foreign Currency Exchange Rate	84,461	(1,694)	86,155
Net Cash Flow	(1,738,961)	(2,749,902)	1,010,941

- (1) Decrease in net cash inflow from operating activities:
Mainly due to the increase in financial assets acquired-current this year.
- (2) Decrease in net cash outflow from investment activities:
Mainly due to the decrease in real estate, plant and equipment and financial assets acquired this year.
- (3) Decrease in net cash outflows from financing activities:
Mainly due to the decrease in cash dividends paid this year.
- (4) The impact of exchange rate changes on cash and cash equivalents:
Mainly due to the impact of exchange rate changes on the translation of financial reports of foreign operating institutions.

(II) Action plans to improve the cash flow: Not Applicable.

(III) Cash liquidity analysis for the upcoming year

The Company's estimated cash outflows in the next year mainly relate to future operating plan and investment demands. In addition to cash inflow expenditures of the operating activities, we plan to take bank loans to finance the capital demands if the cash balance is not sufficient.

IV. The Effect Upon Financial Operations of any Major Capital Expenditures During the Most Recent Fiscal Year.

(I) Distribution of major capital expenditures and source of capital

Unit: NT\$ thousands

Plan	Actual Source of Capital	Actual Distribution of Capital for 2024
Property, plant and equipment	Own funds and bank loans	1,089,557

(II) Estimated Benefits

To expand production capacity, upgrade equipment, enhance product quality and manufacturing processes to meet customer demands, thereby reducing costs and increasing operating profits.

V. The Company's Reinvestment Policy for the Most Recent Fiscal Year, the Main Reasons for the Profits/Losses Generated Thereby, the Plan for Improving Re-investment Profitability, and Investment Plans for the Coming Year

(I) Profits or losses from reinvestments as of December 31, 2024

Unit: NT\$ thousand dollars

Investee Business	Number of Shares Invested (Thousand shares)	Investment Shares Percentage	Net Equity	Accounting Method	2024 Losses on Investments
Tong Hsing Electronics Phils, Inc.	28,793	100.00%	2,038,188	Equity Method	(95,870)
Multi-field Holdings Corporation	-	-	45,574	-	-

(II) Investee business analysis table

Unit: NT\$ thousand dollars

Investee Business	Investment Amount	Policies	Main Reasons for Profit or Loss	Improvement Plan	Other Future Investment Plans
Tong Hsing Electronics Phils, Inc.	0	100% owned - a low-cost production hub	Adjustment of Product Portfolio	Optimize Production line Allocation and Control Costs	-

VI. Risk Analysis and Assessment

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

The Company prioritizes security management for the allocation of capital and regularly evaluates reasonable return on investments. We established specific foreign exchange operating strategies and rigorous monitoring procedures to monitor changes in foreign exchange rates. In addition, we also closely monitor changes in market prices and maintain good interactions with suppliers and customers. By collecting information of the inflation and government pricing policy, we have not suffered material impact as a result of inflation and will continue to uphold the risk management strategy to reduce the impact of interest rate, exchange rate variation, and inflation on the Company's income.

(II) The Company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future:

The Company does not engage in high-risk and high-leverage investments. All investments and derivatives trading are carefully evaluated before implementation. In the fourth quarter of the 2024, the Board of Directors approved a USD 30 million loan to TONG HSING ELECTRONICS PHILS. INC.. As of the annual report publication date, the full amount remains available, and there was no endorsements guarantees provided. All the execution according to "Procedure for Lending Funds to Other Parties and or Guarantee" & "Procedure for Derivatives Trading."

- (III) Research and development work to be carried out in the future, and further expenditures expected for research and development work:

Apart from the basic research and development on new production processes and materials, we will continue to focus on the technology developments in the application areas of communication, high frequency, high power, detector, image sensors, automobiles, and biomedicine, etc. Total capital put in for R&D is estimated at NT\$510 million.

- (IV) Effect on the Company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response:

The Company's operation follows the relevant laws and regulations as the top guidelines. Thus, our operation team pays attention to any changes of the appropriate laws and regulations at any time, so as to cope with various situations arising from changes to the laws and regulations. So far, the Company's significant strategies have not been altered with changes to laws and regulation.

- (V) Effect on the Company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response:

Our business is closely linked to mobile communication, new energy and automotive industries.

"Data transmission infrastructure has become increasingly important as 5G and non-terrestrial communication technologies and applications become more popular and the demand for network in the post-epidemic era increases. Based on the packaging technology related to RF over the years, the Company actively explored the corresponding production processes and technical services.

In the new energy sector, leveraging on its long-term experience in packaging for automotive and industrial uses and its own advantages in producing ceramic substrates, the Company offers a full range of turnkey solution for IDM and fabless customers.

For energy saving applications, amid the heating-up competition in LED market, we will continue to improve the cost structure to stay competitive; in the meantime, we will expand towards new applications, such as substrates used for TEC and semiconductor laser module packaging.

In the clean energy field, several sectors, including high-power AC/DC converting IC and the associated module and packaging service, are rising, as they are needed in solar and wind power generation, as well as in electronic vehicles. One of the important components is the power module, which has high requirements for heat dissipation and insulation. The next-generation products will be SiC power components with higher working temperature. DBC & AMB substrates will offer strengths such as a high working temperature, high heat conductivity, high insulation resistance, and low thermal expansion coefficient and currently the ideal choice for power module substrate.

In the automobile market, LED lights have also gradually replaced halogen lamps and HID lamps. The Company actively develops various high-reliability ceramic substrates to meet

customer demands and expand market share. In terms of smart automotive and automated driving, the Company also actively cooperates with customers in developing packaging solutions for high reliability and anti-glare requirements for automated driving. In addition, in response to the development trend of stacked wafer, the Company also actively cooperates with customers to develop packaging structures and related material technologies to meet the market development needs.

Moreover, we will strive to meet the customers' needs in terms of capacity and future applications.

In the aspect of information and communication security, the Company is actively planning the layout of information security system in response to the state of information security threats in recent years. With information asset protection as the core objective, accurate information assets inventory is carried out in order to make clear with different levels of information assets value. Each information assets should be assessed in terms of risks and appropriate disposal measures. Relevant implementation should be conducted to ensure a safe and reliable information and communication environment for the Company.

(VI) Effect on the Company's crisis management of changes in the Company's corporate image, and measures to be taken in response: None.

(VII) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken: None

(VIII) Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken:

The Company is mainly constructing plants to increase production capacity of Philippines in response to the industry's continuous growth demands. By strengthening the Company's product line range and leveraging economies of scale can we increase revenue and profits, and expand market share. The Company's expansion of the plants has been carefully evaluated and planned internally, striving to meet customer demands while also optimizing the use of capital. As the new plants are gradually put into use, the benefits of plant expansion will gradually appear, and the risks should be rather limited.

(IX) Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken.

For information regarding the proportion of purchases from a single supplier relative to the total net purchases, as well as the proportion of sales to a single customer relative to total net sales, please refer to "Chapter 4 II. (IV) major clients and suppliers information" of this annual report. Currently, the Company does not face any significant risk of over-concentration in either procurement or sales.

The Company has established long-term and stable relationships with its key suppliers, and the purchase ratios for the past two fiscal years and the current year up to the first quarter have remained consistent. In addition to maintaining strong relationships with existing customers, the Company is also actively developing new customers and business opportunities to expand its revenue base and reduce dependence on any single customer.

This effort has effectively mitigated the risk of customer concentration, as evidenced by the gradual decline in the sales ratio to the Company's primary customer over the past two years and in the first quarter of the current year.

(X) Effect upon and risk to the Company in the event a major quantity of shares belonging to a director and shareholder holding greater than a 10 percent stake in the Company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken: None.

(XI) Effect upon and risk to the Company associated with any change in governance personnel or top management, and mitigation measures being or to be taken: None.

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

(XIII) Other important risks, and mitigation measures being or to be taken: None.

VII. Other Important Matters: None.

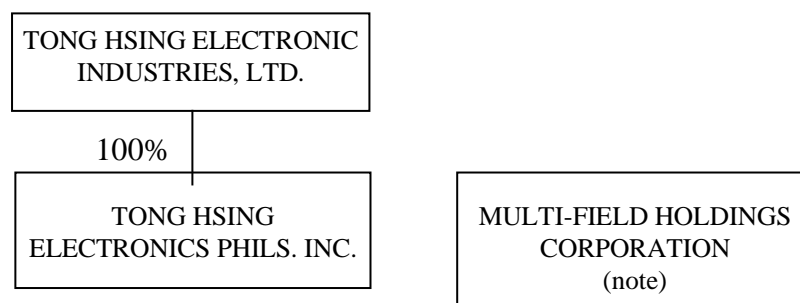
Chapter 6 Special Disclosure

I. Information Related to the Company's Affiliates

(I) Consolidated business report

1. Organizational Chart

December 31, 2024



Note: The directors of the company are appointed by the management of our company and its subsidiaries. Starting from the fourth quarter of 2024, our company has the authority to dominate its personnel, financial, and business operations. Therefore, it is determined that our company has substantive control over this subsidiary.

2. Basic Information of the Company's Affiliated Enterprises:

December 31, 2024; Unit: NT\$ thousand dollars

Name of Corporation	Date of incorporation	Region	Capital	Major Business
TONG HSING ELECTRONICS PHILS. INC.	Sep. 1994	Philippines	1,633,651	Sale and Production for RF modules, hybrid, ceramic substrates and image sensor products.
MULTI-FIELD HOLDINGS CORPORATION	May 1980	Philippines	2,752	Real estate sales and leasing.

3. Information for Common Shareholders of Treated-as Controlled Companies and Affiliates:

None.

4. The business scope covered by the Company and its affiliates:

The business covered by the Company includes production and sale of RF communication modules, ceramic circuit boards, hybrid integrated circuit modules, image products and other electronic products.

5. The division of business, business of the Company and its affiliates are related to each other including:

Production and sale of RF communication modules, ceramic circuit boards, hybrid integrated circuit modules, image products and other electronic products.

6. Directors, supervisors and president of affiliated enterprises

Unit: thousand shares

Name of Corporation	Title	Name or Representative	Shareholding	
			Shares	Ownership (%)
TONG HSING ELECTRONICS PHILS. INC.	Chairperson	Hsi-Hu Lai	28,793	100%

Name of Corporation	Title	Name or Representative	Shareholding	
			Shares	Ownership (%)
	Director/ President	Yung-Hung Lu		
	Directors	Chia-Li Huang		
	Directors	Jocelyn C. Francia		
	Directors	Roberto Jose Castillo		
MULTI-FIELD HOLDINGS CORPORATION	Director/ President	Roberto Jose Castillo	50	100%
	Directors	Yung-Hung Lu		
	Directors	Jocelyn C. Francia		
	Directors	Chia-Li Huang		
	Directors	Maurice A. Borja		

(II) Summarized operation results of affiliated enterprises

December 31, 2024; Unit: NT\$ thousand dollars

Name of Corporation	Capital	Total Assets	Total liabilities	Net Worth	Operating revenue	Operating Income (Loss)	Net Income (Loss)	Earnings Per Share (\$)
Tong Hsing Electronics Phils, Inc.	1,633,651	2,511,527	473,339	2,038,188	2,681,665	(65,504)	(88,212)	(3.06)
MULTI-FIELD HOLDINGS CORPORATION	2,752	61,242	15,668	45,574	-	(903)	4,624	92.48

Note: The exchange rate between USD and NTD as of December 31, 2024 was US\$ / NT\$ = 32.785, and the average exchange rate for the year 2024 was US\$ / NT\$ = 32.112.

(III) Statement of declaration for consolidated financial statements

Statement of Declaration

The entities that are required to be included in the consolidated financial statements of Tong Hsing Electronic Industries, Ltd. for 2024 (ended December 31, 2024) under the “Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises” are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standards No. 10 by the Financial Supervisory Commission, “Consolidated Financial Statements”. In addition, the information required to be disclosed in the consolidated financial statements of the affiliates is included in the parent-subsidary consolidated financial statements. Consequently, Tong Hsing Electronic Industries, Ltd. and subsidiaries do not prepare a separate set of combined financial statements.

Sincerely,

Company name: Tong Hsing Electronic Industries, Ltd.

Chairperson: Tai Ming Chen

Date: February 27, 2025

(IV) Affiliation report: None.

II. Where the Company has Carried out a Private Placement of Securities During the most Recent Fiscal Year or During the Current Fiscal Year up to the Date of Publication of the Annual Report: None.

III. Supplementary Disclosures: None.

Chapter 7 Any of the Situations Listed in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act, which might Materially Affect Shareholders' Equity or the Price of the Company's Securities, has Occurred During the most Recent Fiscal Year or During the Current Fiscal Year up to the Date of Publication of the Annual Report:

The Company announced a change in the position of President on May 30, 2024. However, the change did not have any material impact on shareholders' equity or the market price of the Company's securities.

TONG HSING ELECTRONIC INDUSTRIES, LTD.

Chairman: Tie-Min Chen