Stock Code: 3011

Ji-Haw Industrial, Co., Ltd.

2024 Annual Report

Market Observation Post System: http://mops.twse.com.tw

Website of annual report disclosure: https://www.jh.com.tw

Notice to readers:

This document is an English translation of a report originally written in Chinese.If there is any difference between the two versions, the Chinese one shall prevail.

Printed on May 31, 2025

I. Spokesperson, Acting Spokesperson Name, Position, Contact Phone Number, and Email Address:

Spokesperson: Jess Lin
Email: Investor@jh.com.tw Title of Spokesperson: Acting General Manager

Acting Spokesperson Name: Chen Bo-Rong
Email: Investor@jh.com.tw

Acting Spokesperson Position: Finance and Corporate Governance Director

Tel: (02) 2918-9189 (Representative No.)

II. Addresses and telephone numbers of headquarters, branches, plants:

Head Office Address: No.53, Baoxing Rd., Xindian Dist., New Taipei City 231, Taiwan(R.O.C.)

Tel: (02) 2918-9189 (Representative No.)

Branch Office: None

Factory:Ji-Haw Opto-Electrical (Kunshan) Co., Ltd. (J.H.P)

Factory Address: No.110 Jiang Feng Road, Kunshan Economic Technology Development Zone, Zhangpu Complex Area, Jiangsu Province, P.R.C.

Tel: (86)512-57452388

Factory: J.B.T INDUSTRIAL CO., LTD.(J.B.T)

Factory Address: 227/1,M003,Laem Chabang Industrial Estate, Sukhumvit Road,Thungsukla, Sriracha, Chonburi 20230 Thailand

Tel: (66)38-490277

III. Name, address, website and telephone number of stock transfer agency

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

Address: 6F, No. 6, Sec. 1, Zhongxiao W. Rd., Zhongzheng Dist., Taipei City 10041

Website: https://www.gfortune.com.tw//

Tel: (02) 2371-1658 (Representative No.)

IV. Name of CPA certifying the latest annual financial statement and name, address, website and telephone number of the accounting firm:

Names of CPAs: Huang Yao Lin, Chou Shih Chieh

CPA firm: Deloitte Taiwan

Address: 20F, No. 100, Songren Rd, Xinyi Dist, Taipei City, 11073

Website: http://www.deloitte.com.tw

Tel: (02) 2725-9988 (Representative No.)

V. Name of any exchange where the Company's securities are traded overseas, and the method by which to access information on the overseas securities:

None

VI. Company website: http://www.jh.com.tw

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One. Shareholder Report

Ladies and Gentlemen, shareholders:

As the global economic environment continues to evolve, 2024 presents both challenges and opportunities for the manufacturing and electronic components industries. The global manufacturing sector faces numerous challenges, including inflationary pressures, geopolitical risks, and supply chain rebalancing. Additionally, uncertainties in U.S.-China trade relations, adjustments in Europe's energy policies, and fluctuations in global logistics costs have varying impacts on industry supply chains. In response to these changes, Ji-Haw continues to strengthen its research, development, and manufacturing of cable harness products. The company is also launching high-performance products tailored for the electric vehicle, high-speed transmission, and industrial automation markets, aiming to enhance its market share.

Artificial intelligence (AI) technology is increasingly permeating various industries, particularly in the fields of smart manufacturing, autonomous driving, and the Internet of Things (IoT), where its applications are becoming more advanced. The rise of generative AI has also driven enterprises to expand their investments in data analytics, automated decision-making, and intelligent production. Ji-Haw is actively integrating AI technology by developing AI-driven data analytics solutions, continuously optimizing its product portfolio, and enhancing its R&D capabilities. Looking ahead, Jinhau will further incorporate AI into its product lines, focusing on three core areas: automotive AI, generative AI, semiconductor automation, and industrial quality inspection. By leveraging Taiwan's AI ecosystem, Jinhau aims to accelerate the real-world applications of AI across industries, providing customers with comprehensive intelligent solutions and technical services.

Outlook for 2025, Amid ongoing global supply chain adjustments, the rapid advancement of AI technology, and the deepening trend of ESG-driven sustainable development, Jinhau will adhere to a steady business strategy while continuously strengthening its core competitiveness. With increasing global market competition, the pressure from low-cost, high-quality products has significantly squeezed profit margins. To break free from the limitations of a purely manufacturing-driven mindset, Ji-Haw is undergoing a strategic transformation, integrating technology and service-oriented business models to enhance product value and create new competitive advantages. In response to the rapidly evolving external market and industry landscape, Jinhau will continue to invest heavily in R&D, introducing innovative solutions for high-end cable harnesses and AI-driven applications to seize future market opportunities. Despite external challenges, market competition also serves as a catalyst for Ji-Haw to reassess and refine its business strategies, driving continuous improvements across market expansion, customer engagement, product development, manufacturing processes, and management efficiency. Ji-Haw firmly believes that with its strong technical expertise, agile adaptability, and ever-improving management effectiveness, it will not only sustain the value accumulated over the years but also further enhance its competitive edge and investment returns, ultimately delivering substantial growth for shareholders and partners.

I. 2024 Business results

(I) Business Plan and Budget Execution

1. Operating Income: The consolidated operating revenue for the year 2024 was NT$1,152,170 thousand, representing an increase of NT$1,481 thousand compared to the consolidated operating revenue of NT$1,150,689 thousand in 2023.

2. Net Loss After Tax: The consolidated net loss after tax for the year 2024 was NT$254,989 thousand, representing an increase of NT$116,671 thousand compared to the consolidated net loss after tax of NT$138,318 thousand in 2023.

(II) Analysis of financial income, expenses and profitability

Unit: NT$ thousand

Item	2024	2023
Net cash inflow (outflow) from operating activities	(149,601)	(15,846)
Net cash inflow (outflow) from investing activities	(164,009)	(292,871)
Net cash inflow (outflow) from financing activities	333,213	197,450
Return on assets	(9.64)	(6.21)
Return on equity	(17.46)	(9.81)
Net yield	(22.13)	(12.02)
Earnings per share (NT$)	(2.21)	(1.23)

(III) Research and development status

Major R&D results for the year and up to the publication date of the annual report:

1. Improvement and enhancement of modular production of Type C, HDMI 2.1 and USB 4.1 transmission line assemblies
2. Production and modular production of special wire assemblies for electric vehicles
3. Continuous development of autonomous vehicle sensing line assemblies
4. Electronic small products - used in various interface adaptors and automotive panels
5. Improvement of ultra-high frequency and high conductance wire, adding functions and reducing costs to increase profits
6. Unmanned Warehouse Monitoring System
7. Automatic driving system and assistance system for low-speed traffic electric vehicles
8. Bicycle sensor device
9. Security Personnel Management System
10. Long-term Care Medical System
11. Agatha Agent
12. Truck Defender Human Detection System
13. High-Speed Harness Assembly Development in Progress

II. Summary of 2025 Business Plan

(I)Business Policy

1. Operations: Enhancing the efficiency of the management information system to optimize business management data integration; actively recruiting and developing talent to strengthen team competitiveness; reinforcing global supply chain and logistics management to improve operational efficiency; refining cost and expense control to ensure optimal resource utilization. In the AI sector, using Haofeisi as the development platform, establishing an upstream, midstream, and downstream AI integration ecosystem in Taiwan. Through business collaborations, strategic alliances, and mergers & acquisitions, accelerating AI adoption in industries such as automotive, healthcare, technology manufacturing, and even retail chains and hospitality. Aggressively expanding into cloud computing power, edge AI interfaces, and related fields to drive company transformation and enhance operational momentum.
2. Products: Covering connection cables for PCs, notebooks, tablets, monitors, servers, and peripheral devices, as well as gaming consoles, LCD TVs, LCD displays, and connectivity solutions for communication equipment, office devices, and

network systems. In the optical communication sector, offerings include active optical components and converters. For the mechanical and automotive sectors, the focus is on connector assemblies, automotive circuit assembly services, automotive wiring harnesses, and high-speed cable technology to meet the demands of AI and new energy vehicles. Additionally, efforts are dedicated to the production and sale of environmentally friendly equipment and components, with the integration of sustainable materials. In the AI sector, leveraging product lines such as "AI Server High-Speed Cables & Hardware," "Automotive AI Systems & Robotics," "Enterprise AI Assistant Agatha," and "Digital Human Application Platform TUAN," the company is making a full-scale entry into AI, targeting cloud computing power, edge AI interfaces, and related domains.

3. Sales: Focusing on customer relationship management while actively expanding into new market sectors, including energy, healthcare, biotechnology, automotive, industrial, home appliances, office equipment, and cloud data centers. In the AI sector, offerings include both product sales and system services, targeting a wide range of industries, enterprises, and organizations such as manufacturing, automotive applications, healthcare, and retail. The group will integrate various resources to establish a comprehensive hardware-software ecosystem, providing customers with end-to-end AI solutions—from initial design to final application—ensuring a seamless and all-encompassing AI deployment.

4. R&D: Focusing on the development of trend-driven and niche products, while leveraging external R&D resources to accelerate product innovation across various applications. Driving the development and implementation of automated manufacturing processes, alongside establishing Advanced Product Quality Control (APQC) procedures in early-stage product development to ensure high-quality and efficient R&D outcomes. In the AI sector, increasing R&D investments and expanding across automotive applications, smart security, smart healthcare, smart retail, smart factories, generative AI, and other AI-related fields, introducing cutting-edge AI-driven solutions.

5. Production: Optimizing production capacity and supply chain management across different regions by implementing Industrial Engineering (IE) methodologies to enhance production efficiency and rationality. Improving production and sales mechanisms to ensure greater flexibility and balance in capacity allocation. Continuing to advance automation in high-precision product manufacturing and inspection processes, while strengthening the application of digital tools. Utilizing real-time remote monitoring to boost efficiency and yield rates. At the same time, enhancing procurement and outsourced processing supply chain management to ensure stable supply and quality.

(II) Expected sales volume and basis

The Company’s main business is the manufacturing and sales of connecting cables for computers, peripheral products and communications products. The launch of electronic products was based on the Company’s past experience with customers and the actual operation and order-taking status of 2025Q1, while taking into account the increasingly optimistic global economic situation and recovery of computer products. The estimated sales value of major products in 2025 is as follows:

Unit: Thousand pcs

	Actual Figures for 2024	Forecast for 2025
Connection cables	73,414	75,231
Others	0	0
Total	73,414	75,231

(III) Key Production and Sales Policies

1. Marketing strategy

(1) Actively participate in domestic and foreign commercial exhibitions and seminars to enhance product visibility and enhance cooperation opportunities with peers.

(2) Deepening niche market channel deployment to enhance sales capabilities and expand market influence.

(3) Developing cross-industry customer groups to expand business scope and mitigate the impact of seasonal sales fluctuations.

(4) Strengthening profit management**,** optimizing production capacity utilization efficiency, and reducing inventory backlog risks.

2. Production policy

(1) Enhancing Supply Chain Management Efficiency: Select and develop suitable suppliers, strengthen real-time supply chain monitoring and quality management, and reduce material transit turnover time.

(2) Optimizing Capacity Forecasting and Allocation: Improve the accuracy of capacity forecasting to ensure flexibility and balance in internal and external capacity allocation.

(3) Strengthening Material Management Systems: Utilize information management systems to enhance material flow efficiency, reduce inventory backlog, and establish real-time inventory alerts and response mechanisms.

(4) Advancing Process and Equipment Automation: Continuously optimize production equipment and fixtures to improve process precision and production efficiency, ensuring stable product quality.

III. Future Company Development Strategy

With years of deep R&D expertise and outstanding production management capabilities in the connector and transmission line industry, Jinhao is further expanding its business landscape, driving technological innovation and market deployment. The company's future development strategy will focus on the following directions:

(I) Leveraging over 30 years of R&D experience, a nationally certified laboratory in China, and supplier qualifications recognized by internationally renowned brands, Ji-Haw will continue to enhance product performance and service quality, strengthening its competitive advantage in the global market.

(II) Utilizing its solid product development capabilities and production foundation, the company will collaborate with cross-industry partners to expand its business from components to module/system integration. Additionally, it will extend beyond computer peripherals into high-growth markets such as cloud data centers, medical biotechnology, networking equipment, industrial control, energy technology, and autonomous vehicle subsystems.

(III) Deepening relationships with strategic customers, Ji-Haw will actively engage in co-development, co-design, and customized production models to establish collaborations with other world-class enterprises. The company will also align with customers' time-to-market and time-to-volume requirements to seize greater business opportunities.

(IV) In the AI sector, Ji-Haw plans to make extensive investments in automotive applications, smart security, smart healthcare, smart retail, smart factories, generative AI, and other related AI fields. The company currently has three AI-related subsidiaries, each operating in different domains. Through its brand "Heph A.I.," Ji-Haw is integrating AI resources across

the group to build a comprehensive AI ecosystem. Over the next few years, this initiative is expected to contribute significantly to revenue growth and profitability.

IV. Impact of External Competitive Environment, Regulatory Environment, and Overall Business Environment

In recent years, amid ongoing global economic turbulence and escalating geopolitical conflicts, China has been adjusting the balance between domestic and external demand, driving industrial upgrades and structural adjustments. As a result, economic growth momentum has gradually shifted from an export-driven model to a domestic demand-oriented approach. However, this policy transition, coupled with global inflationary pressures, has posed significant challenges for the manufacturing sector, including rising labor costs and increasing supply chain uncertainties. Businesses are also facing greater difficulties in workforce allocation.

Furthermore, with the promotion of "localized procurement" policies, the competitive landscape of the cable and connector industry has undergone significant changes. Moving forward, market pressure from local Chinese enterprises and Southeast Asian manufacturers is expected to intensify, leading to fiercer price competition and squeezing profit margins for traditional manufacturers.

However, within these challenges lie opportunities. In 2024, the rapid development of the new energy vehicle (NEV) industry and the increasing penetration of electric vehicles have driven strong market demand. Governments worldwide are introducing policies to support green energy and environmental technologies, leading to surging demand in automotive electronics, energy-efficient solutions, and medical biotechnology. Companies that align with market trends, actively expand into these high-growth sectors, and leverage technological innovation and product upgrades can transition from traditional manufacturing models to technology-integrated and service-oriented business models, thereby enhancing their competitive edge and securing long-term market opportunities.

Regarding AI business development, 2024 marks a critical turning point in AI advancements, with the accelerated adoption of generative AI, edge computing, and AI-driven automation in decision-making. These innovations are reshaping business operations across various industries. According to Gartner, by 2027, AI-driven productivity improvements will become a key metric for evaluating national economic competitiveness. Therefore, businesses must accelerate AI adoption, not only for product and service innovation but also for optimizing internal operations and talent strategy development. Only by fully enhancing digital transformation capabilities can companies maintain a competitive advantage in a rapidly evolving market, ensuring sustainable growth and long-term success.

Ji-Haw Industrial, Co., Ltd.

Chairman: Hao-Ji Shi

Manager: Jess Lin

Accounting officer: Chen Po Rong

Two. Corporate Governance Report

I. Directors, President, Vice Presidents, Assistant Vice Presidents, and Heads of Departments and

(I) Profile of Directors:

Title	Nationality or Place of Registration	Name	Gender and Age	Date of Election (Appointment)	Term of office	Date of initial election	Shareholding when elected		Current Shareholding		Current Shareholding of Spouses and Minor Children		Shareholding in the Name of Others		Principal Work Experience
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	
Chairman	R.O.C.	Hao-Ji Shi	Male 41~50	2023.06.29	3 years	2023.06.29	0	0	1,000	0	0	0	0	0	Education: Master of Financ Taiwan Universit Master of Civil E National Taiwan Experience: Vice Chairman o Group Co., LTD. Assistant Manage Markets Departm Securities Director, Taiwan Investment Assoc
Director	R.O.C.	Chao-Yang He	Male 71~80	2023.06.29	3 Years	2023.06.29	0	0	60,000	0.05	0	0	0	0	Education: Bachelor of Che Engineering, Nat Kung University Experience: General Manage Corporation Vice Chairman a Manager of Chi Chairman of Che Materials Techno Corporation Director of CM Technology Corp Executive Direct Cheng Mei Mate Technology Corp Chairman of Che Investment Co., Chairman of Che Co., Ltd. Executive Direct Mei Materials Te (Samoa) Limited
Director	R.O.C.	Bai-Hu Zeng	Male 61~70	2023.06.29	3 Years	2023.06.29	0	0	0	0	0	0	0	0	Education: Master's in Elect Chiao Tung Univ Experience: Senior Assistant Quanta Compute Person in Charge

Title	Nationality or Place of Registration	Name	Gender and Age	Date of Election (Appointment)	Term of office	Date of initial election	Shareholding when elected		Current Shareholding		Current Shareholding of Spouses and Minor Children		Shareholding in the Name of Others		Principal Work Experience and Academic	Position(s) Held Concurrently in the Company/in Any Other Company	Other Supervisors, Directors or Supervisors Who Are Spouses, or Relatives Within the Second Degree of Kinship			Remarks
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relationship	
																TRENDTECH TRADING CO., LTD. Director of Intelligent Information Security Technology Inc.					
Director	Singapore	Chen Guo	Male 51~60	2023.06.29	3 Years	2023.06.29	0	0	0	0	0	0	0	0	Education: Bachelor of Electronic Engineering, Wuhan University Experience: SENSETIME INTERNATIONAL PTE. LTD Technical Director Nokia Solutions And NetworksHoldings Singapore Pte. Ltd Project Manager	Senior Project Management Officer, OneConnect Financial Technology (Singapore) Co. Pte. Ltd	None	None	None	None
Independent director	R.O.C.	En-Guo Wang	Male 51~60	2023.06.29	3 Years	2023.06.29	2,000	0	0	0	0	0	0	0	Education: Master's in Regional Economics, Jinan University, Guangzhou Experience: Vice Chairman of KORYO ELECTRONICS CO., LTD Vice Chairman of TECO IMAGE SYSTEMS CO., LTD. Director of ProMOS	Chairman of Nanchang Creative Sensor Technology Co.,Ltd.,Director of Creative Sensor Co.,Ltd., Technologies Inc., Independent Director of ENERGY MOANA TECHNOLOGY CO., LTD. Chairman of Fuguo Network Broadcasting Co., Ltd. Director of Tianda Consulting Co., Ltd. Director of Xinben Investment Co., Ltd.	None	None	None	None
Independent director	R.O.C.	Xin-Jie Gong	Male 41~50	2023.06.29	3 Years	2023.06.29	0	0	0	0	0	0	0	0	Education: Master of Laws, University of Minnesota Law School, USA Department of Law, Legal Studies Division, National Chengchi University Experience: Partnership Lawyer, Chien Yeh Law Offices	Principal Attorney-at-Law, Global Network Commerce Legal Independent Director, FALCON MACHINE TOOLS CO., LTD Director of Global Network Commerce Ltd	None	None	None	None
Independent director	R.O.C.	Tsai-Fu Lin (Note 1)	Male 61~70	2024.06.28	2 Years	2023.06.29	0	0	0	0	0	0	0	0	Education: University of St. Thomas /Master of International Management Bachelor of Commerce, Department of Accounting, National Chengchi University Experience: Sales member (manager) of Taiwan Stock Exchange Corporation Vice President, Management and Sales, Taiwan Ratings Corporation Auditors, Deloitte Taiwan Accounting Firm	Independent Director, MetaTech (AP) Inc.	None	None	None	None

Note 1: Independent Director Mr. Tsai-Fu Lin assumed office after being elected in the by-election at the shareholders' meeting on June 28, 2024.

Note 2: If the chairman of the board of directors and the general manager or a person with a similar position (top manager) are the same person, spouses or first-degree relatives of each other, the reasons, rationality, necessity and countermeasures should be explained: None.

(II) Disclosure of professional qualifications of directors and independence of independent directors:

April 30, 2025

Criteria / Name	Professional qualifications and experience (Note)	Situation of Independence	Number of other public companies in which the individual is concurrently serving as an independent director
Hao-Ji Shi	Graduated with a Master's in Finance and a Master's in Civil Engineering from National Taiwan University. Previously served as Vice Chairman of Polylead Construction, Director of the Taiwan Angel Investment Association, and Deputy Manager of the Capital Markets Department at KGI Securities. Currently holds the positions of Chairman at Nian Mei Investment Co., Ltd., Supervisor at Chi Qu Asset Investment Co., Ltd., Chairman of Ji-Haw Optoelectronics (Kunshan) Co., Ltd., Director at Ji-Haw Artificial Intelligence Technology (Kunshan) Co., Ltd., and Chairman of CHINTEK INC.. Possesses professional leadership, operational management, and investment expertise.	Not applicable	0
Chao-Yang He	Graduated with a Bachelor's in Chemical Engineering from National Cheng Kung University. Formerly served as General Manager of Chi Mei Corporation, Vice Chairman of Chimei Electronics, Chairman of Cheng Mei Material Technology Co., Ltd., Director of Visual Technology Corporation, Executive Director of Ningbo Cheng Mei Material Technology Co., Ltd., Chairman of Cheng Hui Investment Co., Ltd., Chairman of Cheng Hui Trading Co., Ltd., and Executive Director of Cheng Mei Material Technology (Samoa) Co., Ltd. Possesses extensive professional leadership and operational management experience.		0
Bai-Hu Zeng	Graduated from the Institute of Electronics, National Chiao Tung University with a master's degree, he used to work as the responsible person of TRENDTECH TRADING CO., LTD. and a senior associate of Quanta Electronics, a director of Intelligent Information Security Technology Inc., with extensive experience in operation management.		0
Chen Guo	Graduated from Wuhan University with a bachelor's degree in electrical engineering. He used to work as CTO of Sensetime International Pte. Ltd. and Project Manager of Nokia Solutions and Networks Holdings Singapore Pte. Ltd. Senior executive with extensive product experience.		0
En-Guo Wang	Graduated with a Master's in Regional Economics from Jinan University in	All independent directors have met the following	1

Criteria / Name	Professional qualifications and experience (Note)	Situation of Independence	Number of other public companies in which the individual is concurrently serving as an independent director
	Guangzhou, previously served as Vice Chairman at KORYO ELECTRONICS CO., LTD., Vice Chairman at TECO IMAGE SYSTEMS CO., LTD., Director at ProMOS Technologies Inc.,and currently holds the positions ofChairman of Nanchang Creative Sensor Technology Co.,Ltd., Director at Creative Sensor Co.,Ltd., Independent Director at ENERGY MOANA TECHNOLOGY CO., LTD., Chairman of Fu Guo Network Live Broadcasting Co., Ltd., Head of Tianda Consulting Co., Ltd., and Head of Xinben Investment Co., Ltd. Possesses extensive operational management experience.	criteria and the signed statement of independence has been obtained: 1. Complies with the provisions of Article 14-2 of the Securities and Exchange Act and the "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" as stipulated by the Financial Supervisory Commission. 2. The individual, their spouse, and relatives within the second degree have not held positions as a director, supervisor, or employee in this company or any related enterprises. 3. In the past two years, the individual has not provided business, legal, financial, or accounting services to this company or its related enterprises.	
Xin-Jie Gong	Graduated with a Master of Laws from the University of Minnesota Law School and a degree in Law from the Department of Law at National ChengchiJi University. Previously worked as a partner at Chien Yeh Law Offices, currently serves as the principal attorney at Global Network Commerce Legal, Independent Director at FALCON MACHINE TOOLS CO., LTD, and Director at Global Network Commerce Ltd, possessing extensive legal experience.		1
Tsai-Fu Lin	Graduated from the University of St. Thomas with a Master's degree in International Management and holds a Bachelor's degree in Accounting from National Chengchi University. Certified as a CPA and Patent Attorney. Previously served at Deloitte & Touche, as Vice President of Administration at Taiwan Ratings Corporation, and as Business Committee Member (Manager) at the Taiwan Stock Exchange. Possesses extensive experience in professional management, finance, and accounting.		1

Note : All current directors of the Company have been verified to not be in violation of any of the circumstances listed under Article 30 of the Company Act.

(III) Board Diversity and Independence:

1. Board Diversity:

The Company's policy is based on the policy of diversity and to strengthen corporate governance, while promoting the development of Board composition and sound structure. The nomination of the director candidates is carried out in accordance with the Articles of Incorporation under the candidate nomination system. The academic and experience qualifications, professional backgrounds, integrity or relevant professional qualifications of each candidate are evaluated. After the candidates are approved by the Board of Directors, they are submitted to the shareholders' meeting for election. It is advisable that directors concurrently serving as company officers not

exceed one-third of the total number of the board members, and that an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs be formulated and include, without being limited to, the following:

(1)Basic conditions and values: gender, age, nationality, and culture.

(2)Professional Knowledge and Skills: Operational judgment, business management capability, leadership and decision-making ability, crisis management skills, product knowledge, and international market perspective.

(3)Professional Backgrounds: Technology industry, financial investment, financial accounting, and technical research.

(4) Explanation and Measures to Enhance Gender Diversity on the Board of Directors When Members of Either Gender Comprise Less Than One-Third of the Board:

A. Current Status

According to the Company's Articles of Incorporation, the number of board seats is set at 7 to 9 as a general rule. At the Annual General Shareholders' Meeting held on June 29, 2023, seven directors (including three independent directors) were elected for the current term. At the time of election, there were no female board members. Due to the nature of the industry, it is challenging to identify suitable candidates in a short period of time.

B. Plans and Measures

The Company values gender equality in the composition of the Board and aims to increase the number of female directors. At the 2025 Annual General Shareholders' Meeting, the Company plans to expand the board by adding two seats and will nominate at least one female candidate. Going forward, the Company will actively seek female professionals with expertise, leadership experience, and global vision to join the Board, thereby enhancing corporate governance and promoting diversity among board members.

The specific management objectives and implementation status of the Company's Board diversity policy are as follows:

Management objectives	Achievement
It is advisable that directors concurrently serving as company officers not exceed one-third of the total number of the board members	Achieved
The Independent Director has not served more than three consecutive terms.	Achieved
Possesses sufficiently diverse professional knowledge, skills, and backgrounds.	Achieved
Independent directors constitute no less than one-third of the total seats on the Board of Directors.	Achieved
There is at least one female director on the Board, representing 11% of its composition.	The Company is planning to hold an additional election of directors at the 2025 Annual General Shareholders' Meeting.

The Company's current Board diversity policy and its implementation status are as follows:

April 30, 2025

Criteria / Name	Title	Country	Gender	An employee	Terms of service of the independent director			Professional knowledge and skills						Professional backgrounds				Remarks
					Under 3 years	3-9 years	More than 9 Years	Ability to make operational judgments	Ability to conduct management administration	Ability to lead	Ability to conduct crisis management	Product knowledge	An international market perspective	Technology industry	Financial investment	Financial accounting	Technical research	Number of other public companies in which the individual is concurrently serving as an independent director
Hao-Ji Shi	Chairman	ROC	M	✓				✓	✓	✓	✓	✓	✓		✓	✓		None
Chao-Yang He	Director		M					✓	✓	✓	✓	✓	✓	✓				None
Bai-Hu Zeng	Director		M					✓		✓	✓	✓	✓	✓				None
Chen Guo	Director	SG	M					✓	✓	✓	✓	✓	✓	✓			✓	None
En-Guo Wang	Independent director	ROC	M		✓			✓	✓	✓	✓	✓	✓	✓	✓			1
Xin-Jie Gong			M		✓			✓	✓	✓	✓	✓	✓	✓				1
Tsai-Fu Lin			M		✓			✓	✓	✓	✓	✓	✓	✓			✓	1

2. Board Independence: The Company’s Board of Directors is composed of seven members with diverse professional backgrounds, including three independent directors and four directors. None of the board members have spousal or second-degree kinship relationships with one another, in compliance with Article 26-3, Paragraph 3 of the Securities and Exchange Act.

(IV) General manager, vice presidents, assistant vice presidents, and supervisors of various departments and branches:

April 30, 2025; Unit: shares:%

Title	Country	Name	Gender	Date of Election (Appointment)	Shareholding		Shareholding of Spouses and Minor Children		Shareholding in the Name of Others		Principal Work Experience and Academic	Position(s) Held Concurrently in the Company/in Any Other Company	Company Officers Who Are Spouses or Relatives Within the Second Degree of Kinship			Remarks (Note 3)
					No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relationship	
Acting General Manager	R.O.C.	Jess Lin	Male	2023.07.19	0	0	0	0	0	0	Education: MBA, Hawaii Pacific University Experience: Director of Ji-Haw Business Division, Special Assistant to the General Manager, and COO	None	None	None	None	None
Deputy General Manager, General Management Office	R.O.C.	Wen-Wei Chen	Male	2023.07.19	9,000	0.01	0	0	0	0	Education: Department of Accounting, Soochow University Experience: Assistant Vice President of Finance, FALCON MACHINE TOOLS CO., LTD Manager of Audit Department, KPMG Taiwan	Director, Ji-Haw Artificial Intelligence Technology (Kunshan) Co., Ltd. Director of Ji-Haw Opto-Electrical (Kunshan) Co., Ltd Director of CHINTEK INC.	None	None	None	None
Deputy General Manager of the Sales Department	R.O.C.	Xiang-Lin She	Male	2024.10.01	0	0	8,000	0.01	0	0	Education: Bachelor's Degree in Civil Engineering, Feng Chia University Experience: Senior AVP of Sales, South China Region, Yageo Corporation	None	None	None	None	None
Chief Strategy Officer of AI Business	R.O.C.	Wu Yu-Jui	Male	2024.01.30	0	0	0	0	0	0	Education: Master's in Information Systems Applications, Tsinghua University Experience: IBM Consultant General Manager for Taiwan Region, SenseTime Group Limited	None	None	None	None	None
Accounting Officer and Corporate Governance Officer	R.O.C.	Chen Po Rong	Male	2023.06.12	0	0	0	0	0	0	Education: Master's in Accounting and Finance, Donghua University Experience: Group Leader, Audit Department, Deloitte Touche Tohmatsu Limited Finance Director, Jean Cultural & Creative Co., Ltd.	Supervisor, CHINTEK INC.	None	None	None	None

Note 1: If the chairman of the board of directors and the general manager or a person with a similar position (top manager) are the same person, spouses or first-degree relatives of each other, the reasons, rationality, necessity and countermeasures should be explained: None.

II. Remuneration paid to directors, supervisors, president, and vice presidents in the most recent year:

(I) Remuneration to general directors and independent directors:

Unit: NT$ thousand

Title	Name	Remuneration to directors								The sum of A, B, C and D as a percentage of net loss after tax		Remuneration received as company part-time employee								The sum of A, B, C, D, E, F and G as a percentage of net profit after tax		Remuneration received from investees other than subsidiaries or parent company
		Remuneration (A)		Severance pay and pension (B)		Directors' Remuneration (C)		Business execution expenses (D)				Salaries, bonuses and allowances (E)		Severance pay and pension (F)		Remuneration to employees (G)						
																The Company		All companies included in the financial report				
		The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company	All companies included in the financial report	Amount in cash	Amount in stock	Amount in cash	Amount in stock	The Company	All companies included in the financial report	
Chairman	Hao Ji Shi	820	1,060	0	0	0	0	60	60	880 0.35%	1,120 0.45%	2,607	2,607	0	0	0	0	0	0	3,487 1.40%	3,727 1.50%	None
Director	Chao-Yang He	600	600	0	0	0	0	45	45	645 0.26%	645 0.26%	0	0	0	0	0	0	0	0	645 0.26%	645 0.26%	None
Director	Bai-Hu Zeng	600	600	0	0	0	0	45	45	645 0.26%	645 0.26%	0	0	0	0	0	0	0	0	645 0.26%	645 0.26%	None
Director	Chen Guo	600	600	0	0	0	0	40	40	640 0.26%	640 0.26%	0	0	0	0	0	0	0	0	640 0.26%	640 0.26%	None
Independent director	En-Guo Wang (Note 1)	995	995	0	0	0	0	60	60	1,055 0.42%	1,055 0.42%	0	0	0	0	0	0	0	0	1,055 0.42%	1,055 0.42%	None
Independent director	Xin-Jie Gong	600	600	0	0	0	0	45	45	645 0.26%	645 0.26%	0	0	0	0	0	0	0	0	645 0.26%	645 0.26%	None
Independent director	Tsai-Fu Lin (Note 2)	305	305	0	0	0	0	25	25	330 0.13%	330 0.13%	0	0	0	0	0	0	0	0	330 0.13%	330 0.13%	None

1. Please describe the remuneration policies, systems, standards, and structures for independent directors, and their linkage to the amount of remuneration based on factors such as responsibilities, risks, and time invested:

The Company's remuneration payment policy for directors is stipulated in the Articles of Incorporation. Remuneration to the president and vice president is handled according to the Company's Labor and Wage Cycle Rules According to Articles of Incorporation, the Company shall set aside 1% to 5% of the annual profit, if any, as remuneration to directors and supervisors. However, earning shall first be used to make up for accumulated losses. The performance evaluation and remuneration to directors and company officers shall be based on the usual standards of the industry, while taking into account the reasonableness of the linkage to the individuals performance, performance evaluation results and the Company's operating performance and future risks.

2. Other than the disclosure in the above table, remunerations to the directors for providing services (such as serving as a consultant to the non-employees of the parent company/all companies listed in the financial statements/reinvested enterprises, etc.) in the most recent year: None.

Note 1: En-Guo Wang serves as the Chairman of the Compensation, Audit, and Sustainability Committees as an Independent Director.

Note 2: Tsai-Fu Lin was elected as an independent director at the shareholders' meeting on June 28, 2024.

(II) Remuneration to President and Vice Presidents:

Unit: NT$ thousand

Title	Name	Salary (A)		Severance pay and pension (B)		Bonuses and allowances (C)		Remuneration to employees (D)				The total of items A, B, C, and D as a percentage of the net loss after tax		Remuneration received from investees other than subsidiaries or parent company
								The Company		All companies included in the financial report				
		The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company	All companies included in the financial report	Amount in cash	Amount in stock	Amount in cash	Amount in stock	The Company	All companies included in the financial report	
Acting General Manager	Jess Lin	2,294	2,294	108	108	354	354	0	0	0	0	2,756 1.11%	2,756 1.11%	None
Vice President	She Xiang-Lin	450	450	27	27	477	477	0	0	0		477 0.19%	477 0.19%	None
Vice President	Chen Wen Wei	1,796	1,916	108	108	153	153	0	0	0	0	2,057 0.83%	2,177 0.88%	None

Note 1: Mr. She Xiang-Lin joined the company as Deputy General Manager on October 1, 2024.

(III)Compensation of the top five highest-paid executives in listed and over-the-counter companies (individual disclosure of names and compensation methods)

Unit: NT$ thousand

Title	Name	Salary (A)		Severance pay and pension (B)		Bonuses and allowances (C)		Remuneration to employees (D)				The total of items A, B, C, and D as a percentage of the net loss after tax		Remuneration received from investees other than subsidiaries or parent company
								The Company		All companies included in the financial report				
		The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company	All companies included in the financial report	Amount in cash	Amount in stock	Amount in cash	Amount in stock	The Company	All companies included in the financial report	
Acting General Manager	Jess Lin	2,294	2,294	108	108	354	354	0	0	0	0	2,756 1.11%	2,756 1.11%	None
Vice President	Wen-We Chen	1,796	1,796	108	108	153	153	0	0	0	0	2,057 0.83%	2,057 0.83%	None
Chief Strategy Officer (CSO)	Yu-Jui Wu	2,367	2,367	108	108	14	14	0	0	0	0	2,489 1%	2,489 1%	None
Finance and Corporate Governance Director	Bo-Rong Chen	1,320	1,380	79	79	228	228	0	0	0	0	1,627 0.65%	1,687 0.68%	None
Chief Procurement Officer (Note 1)	Ming-Cheng Chen	1,440	1,440	87	87	53	53	0	0	0	0	1,580 0.64%	1,580 0.64%	None

Note 1: CPO Ming-Cheng Chen resigned on January 20, 2025.

(IV)Names of managers assigned with employee remuneration and distribution:

March 31, 2025

	Title	Name	Amount in stock	Amount in cash	Total	Total and its proportion to net loss after tax (%)
Company officers	Chairman	Hao-Ji Shi	0	0	0	0
	General Manager	Jess Lin				
	Vice President	Wen-Wei Chen				
	Vice President	Xiang-Lin She				
	Chief Strategy Officer of AI Business	Yu-Jui Wu				
	Accounting Officer and Corporate Governance Officer	Po-Rong Cheng				
	Chief Procurement Officer(Note 2)	Ming-Cheng Chen				

Note 1: The company does not plan to distribute employee bonuses for year 2025 due to covering losses.
Note 2: CPO Albert Chen resigned on January 20, 2025.

(V)Provide a comparative explanation and analysis of the total compensation paid in the last two years to the directors, supervisors, general managers, and deputy general managers of the company and all companies in the consolidated financial statements as a proportion of the net profit after tax in the individual or separate financial reports. Describe the compensation payment policies, standards, and composition, the procedures for setting compensation, and its correlation with operational performance and future risks:

Unit: NT$ thousand

Identity \ Year	2023		2024	
	Total remuneration	Total amount as a percentage of net income after tax	Total remuneration	Total amount as a % of net loss after tax
Director	5,906	4.49%	7,447	2.99%
President and vice president	6,272	4.77%	5,290	2.13%

Note: The compensation policy for directors is clearly stated in the company's Articles of Association. The compensation for the General Manager and Deputy General Manager is handled according to the company's salary and compensation cycle.

III. State of operation of corporate governance

(I) Information on the operation of the Board of Directors:

In the most recent year (2024), the Board of Directors has held 8 meetings " A ", and the attendance of directors is as follows:

Title	Name	Actual attendance rate "B"	Attendance by proxy	Attendance rate in person (%) "B/A"	Remarks
Chairman	Hao-Ji Shi	8	0	100	
Director	Chao-Yang He	8	0	100	
Director	Bai-Hu Zeng	8	0	100	
Director	Chen Guo	8	0	100	
Independent director	En-Guo Wang	8	0	100	
Independent director	Xin-Jie Gong	7	1	87.5	
Independent director	Tsai-Fu Lin	4	0	100	Newly elected on 2024.06.28, 4 attendances expected in 2024

Other information required:

I. In cases where the operation of the Board of Directors involves any of the following situations, the date of the Board meeting, the term, the agenda, the opinions of all independent directors, and the company's handling of these opinions should be described:
   (I) Under Article 14-3 of the Securities Transaction Law: No such situations have occurred.
   (II) Apart from the above, other Board resolutions opposed or reserved by independent directors and recorded or stated in written statements: None.

II. In the case of directors abstaining from voting on related party transactions due to conflicts of interest, the name of the director, the content of the agenda, the reasons for abstention due to conflict of interest, and the participation in voting should be detailed.

Date of Meeting	Directors to be recused	Proposal Content	Reason for recusal	Participation in voting
2024. 01.30	Hao-Ji Shi	Proposal for the Distribution of Year-End Bonuses to the Chairman and Executive Officers of the Company.	The recused director is a recipient of the year-end bonus under this case.	Sidestepped from the discussion or voting.
	Hao-Ji Shi En-Guo Wang	Proposal for the Appointment of Members to the First Sustainability Development Committee of the Company	The recused director is the subject of this appointment case.	Sidestepped from the discussion or voting.
2024. 12.26	Hao-Ji Shi	Proposal for the Distribution of Year-End Bonuses to the Chairman and Executive Officers of the Company.	The recused director is a recipient of the year-end bonus under this case.	Sidestepped from the discussion or voting.

III. Implementation of the evaluation of the Board of Directors:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Performed at least once a year	January 1, 2024, to December 31, 2024.	Board of Directors	Internal self-evaluation of the Board of Directors "Self-Evaluation Questionnaire for Board Performance Evaluation"	A. Participation in the Company's operations B. Improvement of the quality of the Board's decision-making C. Composition and structure of the Board of Directors D. Election and continuing education of directors E. Self-evaluation of the overall performance of the Board of Directors
		Individual Board members	Board member's self-evaluation "Self-Evaluation Questionnaire for Director Performance Evaluation"	A. Alignment of the Company's goals and missions B. Awareness of the duties of a director C. Participation in the Company's operations D. Internal relationship management and communication E. Directors' professionalism and continuing education F. Internal control
		Functional committees (Audit Committee, Compensation Committee and Sustainability Committee)	Self-evaluation of functional committees "Self-Evaluation Questionnaire for Performance of Functional Committees"	A. Participation in the Company's operations B. Awareness of the duties of the functional committee C. Improvement of the decision-making quality of functional committees D. Composition of the functional committee and election of its members E. Internal control

Outcome of Assessment :

(I) The evaluation results are presented in a 5-level scale as follows: Number 1: Very Poor (Strongly Disagree); Number 2: Poor (Disagree); Number 3: Average (Neutral); Number 4: Good (Agree); Number 5: Excellent (Strongly Agree).

(II) The overall average self-evaluation score of the Board of Directors was 4.44, while the average self-evaluation score for individual board members was 4.59. The Board received a positive assessment from all directors, indicating effective overall board operations.The average self-evaluation score of the Remuneration Committee was 4.54, the Audit Committee scored 4.61, and the Sustainability Development Committee scored 4.95. These results demonstrate that the functional committees are operating effectively and are fully performing their respective duties.(All scores are based on a maximum of 5 points.).

IV. Assessment of goals and implementation for enhancing the functions of the Board of Directors in the current and recent fiscal years (such as establishing an Audit Committee, improving information transparency, etc.):

(I) The company's Audit Committee and Compensation Committee are comprised entirely of independent directors, serving to fulfill their supervisory duties and achieve the goals of enhancing the board's functions.

(II) Board members actively participate in the operations of the board, with an attendance rate of 98.21% for all directors in 2024.

(III) To establish a robust corporate governance system, the company's Board of Directors passed the "Corporate Governance Best Practice Principles" on August 1, 2018.

(IV) To assist directors in performing their duties and enhance board effectiveness, the Board of Directors approved the "Standard Operating Procedures for Handling Directors' Requests" on June 24, 2019.

(V) To improve information transparency and protect shareholder rights, the company regularly updates relevant information on corporate governance and significant board resolutions on our website.

(VI) To ensure that directors and managers are protected from risks associated with their duties, the company purchases "Directors and Officers (D&O) Liability Insurance" for directors and managers annually.

(VII) The company has established the "Performance Evaluation Procedures for Directors and Managers." After the annual performance evaluation, the results are reported to the Compensation Committee and the Board of Directors. The performance evaluation results of the Board and its committees for 2024 were reported

to the Compensation and Board Committees in March 2025 and are used as references for director compensation and nomination for reappointment.

(VIII) The directors of the company undertake non-scheduled professional development each year to enhance their knowledge. In 2024, all the board members collectively completed a total of 51 hours of professional development.

(II) Operation of the Audit Committee:

In the most recent fiscal year (2024), the Audit Committee held 11 meetings 【A】, and the attendance of independent directors was as follows:

Title	Name	Actual number of attendances 【B】	Attendance by proxy	Actual attendance rate (%) 【B/A】	Remarks
Independent director	En-Guo Wang	8	0	100	
Independent director	Xin-Jie Gong	8	0	100	
Independent director	Tsai-Fu Lin	4	0	100	Newly elected on 2024.06.28, 4 attendances expected in 2024

Other information required:

I. The company established the Audit Committee on June 20, 2022, and in accordance with Article 6 of the company's "Audit Committee Charter," the duties of the committee are as follows:
   (I) To establish or amend the internal control system as required by Article 14-1 of the Securities and Exchange Act.
   (II) To assess the effectiveness of the internal control system.
   (III) According to Article 36-1 of the Securities Exchange Act, establish or amend procedures for handling significant financial activities such as acquiring or disposing of assets, engaging in derivative product transactions, lending funds to others, endorsing or providing guarantees for others.
   (IV) Matters involving a director's own interests.
   (V) Significant transactions of assets or derivative products.
   (VI) Significant financial activities such as lending funds, endorsements, or providing guarantees.
   (VII) Raising, issuing, or privately placing securities with equity characteristics.
   (VIII) Appointment, dismissal, or remuneration of certified public accountants.
   (IX) Appointment or dismissal of the financial, accounting, or internal audit directors.
   (X) Annual financial reports signed or stamped by the chairman, managers, and accounting directors, and the second quarter financial report that must be audited and certified by an accountant.
   (XI) Other significant matters stipulated by the company or regulatory authorities.

   In accordance with Article 3 of the company's "Audit Committee Charter," the operation of the committee primarily aims to supervise the following:
   (I) The fair presentation of the company's financial statements.
   (II) The selection (or dismissal) of certified public accountants and their independence and performance.
   (III) The effective implementation of the company's internal controls.
   (IV) The company's compliance with relevant laws and regulations.
   (V) The management of existing or potential risks within the company.

II. In cases where the operation of the Audit Committee involves any of the following situations, the date of the Audit Committee meeting, the term, the agenda, the opposition or reservation of independent directors, significant proposal contents, the resolution results of the Audit Committee, and the company's response to the Audit Committee's opinions should be detailed.
   (I) Items listed under Article 14-5 of the Securities Exchange Act:

Date	Term	Proposal Content	Opposition, reservation of opinions, or significant proposal content by independent directors	Audit Committee resolution results	Company's handling of the Audit Committee's opinions
2024.01.30	2nd Term, 7th Meeting	1. Proposal for a New Investment in a Subsidiary or Affiliate.	None	All attending members unanimously approved.	All attending directors unanimously approved.
2024.03.13	2nd Term, 8th Meeting	1.Appointment of Acting General Manager of the Company. 2.Business Report and Financial Statements for Fiscal Year 2023. 3.Statement on the Results of the Company's Internal Control System Self-Assessment. 4.Engagement of the Company's Certified Public Accountant for 2023, Including Independence Evaluation and Audit Fee Proposal. 5.Proposal for a New Equity Investment by the Company.	None		
2024.05.13	2nd Term, 9th Meeting	1.The Company's First Consolidated Financial Statements for Fiscal Year 2024. 2.Proposal to Amend the Profit and Loss Appropriation for Fiscal Year 2023. 3.Proposal for the Company to Provide Endorsement and Guarantee for Chintan Technology Co., Ltd., a Wholly-Owned Subsidiary.	None		
2024.06.27	2nd Term, 10th Meeting	1.Proposal to Discontinue the Private Placement of Common Shares Approved at the 2023 Annual General Shareholders' Meeting. 2.Designation of the Custodian for the Company's Official Seal Used for Endorsements and Guarantees.	None		
2024.08.13	2nd Term, 11th Meeting	1.Proposal to Change the Accounting Policy for Subsequent Measurement of Investment Property from the Cost Model to the Fair Value Model. 2.Proposal to Restate the Consolidated Financial Statements for the First Quarter of Fiscal Year 2024. 3.Consolidated Financial Statements for the Second Quarter of Fiscal Year 2024. 4.Proposal to Amend the "Code of Ethical Conduct and Corporate Social Responsibility Practices" to the "Sustainability Practices Guidelines" and to Establish a New "Code of Ethical Conduct".	None		
2024.10.25	2nd Term, 12th Meeting	1.Proposal for Private Placement of Common Shares. 2.Proposal for the Issuance of Restricted Employee Shares for Fiscal Year 2024. 3.Proposal for the Issuance of Employee Stock Warrants for Fiscal Year 2024.	None		
2024.11.13	2nd Term, 13th Meeting	1.Consolidated Financial Statements for the Third Quarter of Fiscal Year 2024. 2.Proposal to Amend Certain Provisions of the "Rules of Procedure for Board Meetings," "Code of Ethical Business Conduct," "Audit Committee Charter," "Procedures for Handling Material Internal Information," and "Corporate Governance Best Practice Principles". 3.Proposal to Establish the "Regulations Defining the Scope of Duties of Independent Directors," the "Insider Trading Prevention Guidelines," and the "Ethical Corporate Management Best Practice Procedures and Code of Conduct".	None		

2024.12.26	2nd Term, 14th Meeting	1.Business Plan of the Company for Fiscal Year 2025. 2.Proposal for the Service Fees of the Certified Public Accountant for Fiscal Year 2024. 3.Proposal to Establish the “Internal Control System – Management of Sustainability Information” and the “Internal Audit Implementation Rules – Management of Sustainability Information”. 4.Internal Audit Plan of the Company for Fiscal Year 2025. 5.Proposal for the Appointment of Chief Auditor.	None		

(II) Apart from the aforementioned items, resolutions agreed upon by more than two-thirds of all directors without the approval of the Audit Committee: None.

III. Implementation of conflict of interest abstention by independent directors, including the name of the independent director, content of the motion, reasons for abstention due to conflict of interest, and participation in voting: None.

IV. Communication between independent directors and the internal audit director and accountants (should include significant matters, methods, and results of communication regarding the company’s finances and business conditions):

(I) Communication between independent directors and the internal audit supervisor.

The Company's independent directors hold at least one separate meeting annually with the internal audit supervisor and the independent auditors to discuss matters such as the execution of audit operations and compliance with relevant laws and regulations

Attendees	Date	Communication matters	Communication results
Independent Director: En-Guo Wang,Xin-Jie Gong, Tsai-Fu Lin CPA Shih-Chieh Chou Senior Audit Manager Chia-Chun Liang Wen-Chi Lin, Audit Supervisor	2024.12.26	1.Explanation of matters related to corporate governance 2.IFRS Sustainability Disclosure Standards 3.Major regulatory updates	Following discussions and communication, the independent directors expressed no dissenting opinions.

(II) Communication between the independent directors and the internal audit supervisor

1. The company’s audit supervisor submits the previous month’s audit report and deficiency tracking report by the end of each month, reporting on the internal audit execution and the operation of internal controls. Meetings can be convened at any time in case of significant irregularities.
2. The internal audit supervisor regularly reports to the Audit Committee on the annual audit plan and the execution of audit operations.

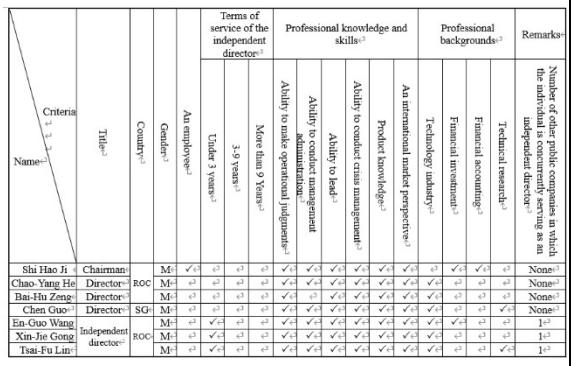
Communication between the independent directors and the audit supervisor in 2024:

Date	Communication matters	Communication results
2024.01.30 Audit Committee	Internal audit report.	Unanimously approved without objection
2024.03.13 Audit Committee	Internal Audit Report and Statement of Self-Assessment of Internal Control System.	Unanimously approved without objection
2024.06.27 Audit Committee	Internal audit report.	Unanimously approved without objection
2024.11.13 Audit Committee	Internal audit report.	Unanimously approved without objection
2024.12.26 Audit Committee	1.Internal audit report. 2.Audit Plan for Fiscal Year 2025. 3.Addition of the Company's "Internal Control System – Management of Sustainability Information". 4.Addition of the Company's "Internal Audit Implementation Rules – Management of Sustainability Information".	Unanimously approved without objection

(III) State of corporate governance operations and any difference from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and the reasons for such difference:

Evaluation Item	The State			Difference from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and the reasons for such difference
	Yes	No	Summary	
I. Has the company established and disclosed its Corporate Governance Best-Practice Principles in accordance with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?	V		The Company has formulated its "Corporate Governance Best Practice Principles" in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies", and disclose them on the Market Observation Post System and the Company's website.	No significant differences
II. Equity structure and shareholders' equity				
(I) Has the company formulated internal procedures regulated to handle shareholders' proposals, doubts, disputes, and litigation matters and have the procedures been implemented accordingly?	V		(I) The company has appointed a spokesperson and a deputy spokesperson responsible for handling and responding to shareholder suggestions, doubts, disputes, and litigation-related matters; the company has assigned staff to handle share affairs and has appointed the "Fubon Securities Co., Ltd. Stock Affairs Agency Department" to assist with related matters.	No significant differences
(II) Does the company possess a list of the company's major shareholders and a list of the ultimate controllers of its major shareholders?	V		(II) The Company monitors the list of ultimate controllers on an ongoing basis through disclosures of shareholding changes by insiders (directors, managerial officers, and shareholders holding 5% or more of the Company's shares) and the shareholder register provided by the stock transfer agent.	No significant differences
(III) Has the company established and implemented the risk control and firewall mechanisms between the affiliates?	V		(III) The company has established "Specific Company, Group Enterprises, and Related Party Transaction Procedures" and "Corporate Governance Practice Guidelines" within its internal control system, which clearly regulate transactions, personnel, assets, and finances between related enterprises, aiming to establish appropriate firewalls and risk management.	No significant differences
(IV) Has the company set up internal regulations to prohibit internal personnel from utilizing the undisclosed information to trade securities?	V		(IV) The Company has established the 'Regulations for the Prevention of Insider Trading,' which apply to all employees, managerial officers, directors, and any individuals who may have access to the Company's information due to their profession or control relationship. These regulations prohibit any conduct that may	No significant differences

Evaluation Item	The State			Difference from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and the reasons for such difference
	Yes	No	Summary	
			constitute insider trading. The Company conducts periodic awareness campaigns and has disclosed the regulations on its official website.	
III. Composition and Responsibilities of the Board of Directors (I) Has the board formulated a diversity policy, specific management objectives, and their implementation?	V		(I)To enhance corporate governance and promote a sound composition and structure of the Board of Directors, the Company has established the 'Corporate Governance Best Practice Principles,' which outline appropriate diversity policies for the Board's composition.In addition to the requirement that directors concurrently serving as managerial officers of the Company shall not exceed one-third of the total number of board seats, the Company also considers its operational model and development needs in formulating diversity policies, including but not limited to the following aspects: 1.Basic Attributes and Values: Gender, age, nationality, and culture. 2.Professional Knowledge and Skills: Business judgment, management capabilities, leadership and decision-making skills, crisis management, product knowledge, and international market insight. 3.Professional Background: Experience in the technology industry, financial investment, accounting and finance, and technical research. The Company's Board of Directors consists of 7 members, including 3 independent directors, with independent directors accounting for 43% and external directors accounting for 86% of the Board. All Board members possess diverse and complementary professional backgrounds. At the upcoming 2025 Annual General Shareholders' Meeting, the Company plans to elect two additional directors (including one independent director), one of whom will be a female director. The specific management objectives and implementation of the Board diversity policy are as follows:	No significant differences

Evaluation Item	The State			Difference from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and the reasons for such difference
	Yes	No	Summary	
				
(II) Besides legally establishing a Compensation Committee and an Audit Committee, has the company voluntarily set up other types of functional committees?	V		(II) On January 30, 2024, the Company approved the establishment of the Sustainability Development Committee to fulfill corporate social responsibility, establish sound governance practices, align with international trends, and move toward the goal of sustainable operations.	No significant differences
(III) Has the company established a method for assessing board performance and its evaluation methods, conducting performance evaluations annually and regularly, reporting the results to the board, and using them for individual director compensation and nomination for reappointment?	V		(III) The Company has implemented the "Board Performance Evaluation Policy," under which board members conduct self-assessments annually. The evaluation is completed in the first quarter of the following year and reported to the functional committees and the Board of Directors as a reference for director selection or nomination. The results of individual directors' performance evaluations are also used as a reference in determining their respective compensation packages	No significant differences
(IV) Does the company regularly assess the independence of the certifying accountant?	V		(IV)The Board of Directors conducts an annual assessment of the independence of the certified public accountants (CPAs) based on the "Audit Quality Indicators (AQIs)" and the "CPA Independence and Suitability Evaluation Form," with written records maintained. The Company's signing CPAs do not serve as directors or independent directors of the Company, hold no direct or significant indirect financial interest, are not shareholders of the Company, and do not receive any salary from the Company. In addition, the AQIs of the appointed accounting firm do not significantly differ from those of peers in the industry. The independence of the signing CPAs has been evaluated and confirmed to be satisfactory.The results of the evaluation of	No significant differences

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">The State</th><th rowspan="2">Difference from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and the reasons for such difference</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>the CPAs' independence and suitability were presented to the Audit Committee and the Board of Directors on March 12, 2025, and were duly reviewed and approved.
<table>
<tr><th>Item</th><th>Evaluation items</th><th>Yes</th><th>No</th></tr>
<tr><td>1</td><td>Up to the latest audit, JH has not retained the services of the same CPA for seven consecutive years.</td><td>■</td><td>□</td></tr>
<tr><td>2</td><td>The CPA has no significant financial stake in JH.</td><td>■</td><td>□</td></tr>
<tr><td>3</td><td>The CPA does not maintain any inappropriate relationship with JH.</td><td>■</td><td>□</td></tr>
<tr><td>4</td><td>The CPA must ensure the integrity, impartiality and independence of his/her assistants.</td><td>■</td><td>□</td></tr>
<tr><td>5</td><td>The CPA does not audit the financial statements of JH within two years when he/she served at JH before working as a CPA.</td><td>■</td><td>□</td></tr>
<tr><td>6</td><td>The name of the CPA is not used by any other person.</td><td>■</td><td>□</td></tr>
<tr><td>7</td><td>The CPA has not held any share in JH and the affiliates.</td><td>■</td><td>□</td></tr>
<tr><td>8</td><td>The CPA has not received any monetary loan from JH and the affiliates</td><td>■</td><td>□</td></tr>
<tr><td>9</td><td>The CPA has not engaged in any joint investment or share any interest with JH or the affiliates.</td><td>■</td><td>□</td></tr>
<tr><td>10</td><td>The CPA does not serve concurrently in any regular position at JH or the affiliates and has received no fixed remuneration.</td><td>■</td><td>□</td></tr>
<tr><td>11</td><td>The CPA does not have any managerial function involving the making of decisions by JH or the affiliates.</td><td>■</td><td>□</td></tr>
<tr><td>12</td><td>The CPA does not operate any other business likely to cause the loss of his/her independence.</td><td>■</td><td>□</td></tr>
<tr><td>13</td><td>The CPA is not the spouse or a relative within the second degree of kinship of the Company's management.</td><td>■</td><td>□</td></tr>
<tr><td>14</td><td>The CPA has not received any business-related commission</td><td>■</td><td>□</td></tr>
<tr><td>15</td><td>Up to now, the CPA has not received any penalty or been engaged in any behavior in violation of the principles of independence.</td><td>■</td><td>□</td></tr>
</table></td><td></td></tr>
<tr><td>IV. Do listed and over-the-counter companies employ a suitable number and appropriate personnel for corporate governance, and designate a corporate governance officer responsible for handling corporate governance-related matters (including but not limited to providing information needed by directors and supervisors to perform their duties, assisting directors and supervisors in complying with laws, legally conducting board and shareholders' meetings, and preparing minutes for board and shareholders' meetings)?</td><td>V</td><td></td><td>The company appointed a corporate governance officer on June 12, 2023, and has staff in charge of share affairs to assist directors with obtaining information needed for their duties, helping directors comply with laws, handling matters related to board, functional committee, and shareholders' meetings according to law, and preparing minutes and other corporate governance-related matters.</td><td>No significant differences</td></tr>
<tr><td>V. Does the company establish communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers) and set up a dedicated section for</td><td>V</td><td></td><td>1. The company has appointed spokespersons and deputy spokespersons as the communication channels for stakeholders.
2. The company's website features a dedicated section for investors/shareholders/ stakeholders, which includes information on the communication channels and contact</td><td>No significant differences</td></tr>
</table>

Evaluation Item	The State			Difference from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and the reasons for such difference
	Yes	No	Summary	
stakeholders on the company's website, and adequately respond to significant corporate social responsibility issues that stakeholders are concerned with?			details for stakeholders (including responsible contacts, phone numbers, and email addresses), to handle stakeholder-related matters and maintain good communication relationships.	
VI. Does the Company appoint a professional shareholder service agency to handle shareholders' meeting affairs?	V		The Company appoints a professional stock agency, "Stock Service Agency Department of Fubon Securities Co., Ltd." to handle shareholders' meetings and stock affairs.	No significant differences
VII. Information Disclosure				
(I) Has the Company set up a website to disclose financial, business and corporate governance information?	V		(I) The Company's website is maintained by dedicated personnel. Corporate governance and financial information are updated from time to time. Information has been disclosed on the Company's website: https://www.jh.com.tw/esg-98.	No significant differences
(II) Has the company adopted other information disclosure methods (e.g., establishing an English website, designating a responsible person for collecting and disclosing information of the company, substantiating the spokesman system, and upload the procedure of investors conference on its website, etc.)?	V		(II) The Company has set up an English website; designated personnel to be responsible for the collection and disclosure of the Company's information: the Company declares various financial and business information on the Market Observation Post System on a regular and irregular basis as required; the Company implements the spokesperson system: COO, Jess Lin, acts as the spokesperson. Chen Borong, the head of finance and accounting, acted as the acting spokesperson; the audio files and briefing materials of the Company's investor conference (in Chinese and English) are placed in the shareholders' section of the Company's website for the convenience of all parties concerned; information related to institutional investor conferences is not only announced in the shareholders' section, but has also been entered into the Market Observation Post System (MOPS) in accordance with the regulations of the Stock Exchange.	No significant differences
(III) Has the company published and reported its annual financial report within two months after the end of a fiscal year, and published and reported its financial reports for the first, second, and third quarters, as well as its operating status for each	V		(III) The annual financial reports are announced and filed in accordance with Article 36 of the Securities and Exchange Act. The Company files its first, second, and third quarter financial reports, as well as monthly operational results, within the prescribed deadlines on the Market Observation Post System (MOPS), and simultaneously uploads the information to	No significant differences

Evaluation Item	The State			Difference from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and the reasons for such difference
	Yes	No	Summary	
month before the specified deadline?			the Company's official website for the reference of shareholders and stakeholders.	
VIII. Does the Company have other important information that is helpful to understand the implementation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholders' rights, continuing education of directors and supervisors, risk management policies and risk measurement standards, the implementation of customer policies, the purchase of liability insurance for directors and supervisors, etc.)?	V		1. Employee Rights and Care:The Company is committed to sharing its business achievements with all employees, aiming to enhance shareholder value while promoting the well-being of all staff members. 2. Investor Relations:The Company ensures transparency by fully disclosing relevant information through the Market Observation Post System (MOPS), allowing investors to understand the Company's operational status. In addition, a designated spokesperson is appointed to provide information and respond to inquiries from investors. 3. Supplier relations: We adopt a periodic evaluation policy for suppliers and perform measurements on product delivery, quality and price, and select the best suppliers by elimination. In terms of payment concerns of the suppliers, we strictly abide by the negotiated payment schedule. 4. Stakeholder rights: All directors of the Company uphold the principle of high self-discipline and do not participate in voting if there is an interest involved in the motion at a Board meeting. 5. Further education of directors and supervisors: In 2024, all directors complied with the mandatory training requirements, accumulating a total of 51 hours of continuing education. 6. Implementation of the risk management policy and risk measurement standards: We have various internal control systems, which are strictly audited each month by the internal auditor. Deficiencies found during an audit must be corrected within a prescribed time to meet the Company's system. Procurement and business vendors and customers are strictly selected in order to operate our business with honesty and fairness. 7. Implementation of the customer policy: We adopt a progressive trading and credit relaxation principle for all customers. In addition, we regularly track the collection of accounts receivable and exchange	No significant differences

Evaluation Item	The State			Difference from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and the reasons for such difference
	Yes	No	Summary	
			information with peers to strive for customers' dynamics. 8. The Company's purchase of liability insurance for directors and supervisors: The insurance period was from January 1, 2025 to January 1, 2026, and the total amount insured was US$3 million.	

IX. Please explain the improvements made based on the corporate governance evaluation results published by the Corporate Governance Center of Taiwan Stock Exchange Corporation in the most recent year, and propose enhancement measures and measures for those that have not yet been improved:

Indicator Category	Number	Indicator Evaluation	Improvement Measures
Protection of Shareholders' Rights and Equitable Treatment of Shareholders	1.7	Does the Company upload the Chinese and English versions of the Shareholders' Meeting Agenda Handbook and supplemental meeting materials at least 30 days prior to the annual general shareholders' meeting, and the Chinese and English versions of the annual report at least 18 days prior to the meeting? (Indicator for 2025)	In 2025, the Company will upload the Chinese and English versions of the Shareholders' Meeting Agenda Handbook and supplemental meeting materials at least 30 days prior to the annual general shareholders' meeting, and will upload the Chinese and English versions of the annual report at least 18 days before the meeting.
Enhancement of Board Structure and Operations	2.6	Does the Company's Board of Directors include at least one director of a different gender? [An additional point will be awarded if each gender accounts for at least one-third of the total number of board seats.]	The Company plans to elect two additional directors at the 2025 Annual General Shareholders' Meeting, including at least one female director.
Promotion of Sustainable Development	4.4	Does the Company's sustainability report reference the SASB Standards to disclose relevant ESG information?	The sustainability report is prepared in accordance with the GRI Standards 2021 issued by the Global Sustainability Standards Board (GSSB), the United Nations Sustainable Development Goals (SDGs), the Sustainability Accounting Standards Board (SASB), the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies, and the Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE/TPEx Listed Companies. The report is filed and disclosed in accordance with the applicable regulations.
	4.11	Does the Company disclose total water consumption and total waste generated over the past two years?	The 2024 Sustainability Report will disclose total water consumption and total waste generated over the past two years.
	4.24	Has the Company's sustainability report been submitted to and approved by the Board of Directors?	Upon completion, the 2024 Sustainability Report will be submitted to the Board of Directors for discussion.

(IV) If the Company has a Remuneration Committee, it should disclose its composition and operation:

1. Membership of the Remuneration Committee

April 30, 2025

Criteria / Identity	Name	Professional qualifications and experience	Situation of Independence	Number of other public companies in which the individual is concurrently serving as an independent director
Convener Independent director	En-Guo Wang	Graduated with a Master's in Regional Economics from Jinan University in Guangzhou, previously served as Vice Chairman at KORYO ELECTRONICS CO., LTD., Vice Chairman at TECO IMAGE SYSTEMS CO., LTD., Director at ProMOS Technologies Inc.,and currently holds the positions ofChairman of Nanchang Creative Sensor Technology Co.,Ltd., Director at Creative Sensor Co.,Ltd., Independent Director at ENERGY MOANA TECHNOLOGY CO., LTD., Chairman of Fu Guo Network Live Broadcasting Co., Ltd., Head of Tianda Consulting Co., Ltd., and Head of Xinben Investment Co., Ltd. Possesses extensive operational management experience.	All committee members meet the following criteria, and have obtained a signed declaration of independence: 1. In line with the provisions of Article 14-2 of the Securities and Exchange Act and the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies promulgated by the FSC. 2. The individual, their spouse, and relatives within the second degree have not held positions as a director, supervisor, or employee in this company or any related enterprises. 3. In the past two years, the individual has not provided business, legal, financial, or accounting services to this company or its related enterprises. 4. The person, their spouse, and relatives within the second degree of kinship (or using another person's name) hold more than one percent of the total issued shares of the company or are among the top ten individual shareholders by number of shares held.	1
Independent director	Xin-Jie Gong	Graduated with a Master of Laws from the University of Minnesota Law School and a degree in Law from the Department of Law at National ChengchiJi University. Previously worked as a partner at Chien Yeh Law Offices, currently serves as the principal attorney at Global Network Commerce Legal, Independent Director at FALCON MACHINE TOOLS CO., LTD, and Director at Global Network Commerce Ltd, possessing extensive legal experience.		1
Others	Hsu Shi Min	Graduated with a master's degree from the Graduate Institute of Finance at Fu Jen Catholic University, previously served as the Chairman and CEO of Anderws Impact Investing LTD., a consultant for Excellent Water Appraisal Intelligence & Co. , and the Deputy General Manager of the Taipei Branch of Bank of East Asia. Possesses rich experience in finance and business management.		None

2. Terms of reference of the Remuneration Committee

The Committee shall exercise the care of a good administrator and faithfully perform the following duties, and submit its recommendations to the Board of Directors for discussion. However, the proposal for the remuneration of supervisors to the board of directors for discussion is limited to those stipulated in the articles of association of the company or authorized by the board of directors through resolutions of the shareholders' meeting:

(1) Set and regularly review the performance evaluation standards, annual and long-term performance goals for the company's directors, supervisors, and managers, along with the policies, systems, standards, and structures for salary compensation.

(2) Regularly assess the achievement of performance goals by the company's directors, supervisors, and managers, and based on the results of the performance evaluations according to the established standards, determine the content and amount of their individual salary compensation.

3. Information on the operation of the Compensation Committee

(1) The company's Compensation Committee consists of 3 members.

(2) Term of the current members: From July 19, 2023, to June 28, 2026. In the most recent year (2024), the Compensation Committee met 3 times (A), with the following details on members' qualifications and attendance:

Title	Name	Number of actual attendance (B)	Attendance by proxy	Actual attendance rate (%) 【B/A】	Remarks
Convener	En-Guo Wang	3	0	100	
Member	Xin-Jie Gong	3	0	100	
Member	Shi-Min Hsu	3	0	100	

Date of Remuneration Committee's meetings, matters discussed, results of resolutions, and the Company's handling of the Remuneration Committee's opinions in the most recent year (2024):

Date	Term	Proposal Content	Resolution Result	The Company's handling of the opinions of the Remuneration Committee
2024.01.30	6nd Term, 4th Meeting	1.Performance Evaluation of the Board of Directors and Functional Committees. 2.Proposal for Year-End Bonuses for the Chairman and Managerial Officers. 3.Remuneration Plan for Managerial Officers.	All attending members unanimously approved.	All attending directors unanimously approved.
202.03.13	6nd Term, 5th Meeting	1.Proposal to Establish the "Sustainability Committee Compensation Policy." 2.Remuneration Plan for the Acting President Appointment.		
2024.12.26	6nd Term, 6th Meeting	1.Remuneration Plan for the Appointment of the Head of Internal Audit. 2.Appointment of Managerial Officers. 3.Proposal for Year-End Bonuses for the Chairman and Managerial Officers. 4.Proposal to Establish the "Board Performance Evaluation Policy" and Abolish the "Performance Evaluation Policy for Directors, Supervisors, and Managerial Officers."		

Other information required:

I. If the board of directors declines to adopt or modify a recommendation from the remuneration committee, the date, session, topic discussed and the resolution of the board meeting and handling of the resolution of the remuneration committee shall be specified (if the remuneration package approved by the Board is better than the recommendation made by the committee, please specify the discrepancy and its reason): None.

II. As to the resolution of the remuneration committee, if a member expresses any objection or reservation, either by a recorded statement or in writing, the date, session and topic discussed of the committee meeting, all members' opinions and handling of members' opinions shall be specified: None.

(V) The implementation of sustainable development and the deviation from the Sustainable Development Best-Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor

Items to be promoted	Implementation Status			Difference from the compared to the Sustainability Practice Guidelines for TWSE/TPEx Listed Companies and the reasons for such difference
	Yes	No	Summary	
I. Has the Company established a governance structure for the promotion of sustainable development, with dedicated (or part-time) units to promote sustainable development, with senior management authorized by the Board of Directors to handle it, and whether it is supervised by the Board of Directors?	V		In 2024, the Company established a Sustainability Committee and formulated the "Sustainability Committee Charter." The first members of the Committee were appointed, including Chairman Mr. Hao-Chi Shih, Independent Director Mr. En-Kuo Wang, and Deputy General Manager of the General Administration Division Mr. Wen-Wei Chen. The Committee serves as the decision-making and supervisory body for the Company's sustainability-related initiatives. It assists the Board of Directors in continuously advancing corporate social responsibility and enhancing corporate governance, with the goal of achieving sustainable operations. The Committee holds meetings regularly and reports on the progress and performance of sustainability initiatives to the Board on a quarterly basis. The Sustainable Development Committee serves as a cross-departmental communication platform that facilitates both vertical integration and horizontal coordination. Through meetings and task forces established based on specific issues, the committee identifies sustainability topics relevant to the company's operations and of concern to stakeholders. It formulates corresponding strategies and work guidelines, plans and executes annual initiatives, and monitors implementation results to ensure that sustainability strategies are effectively integrated into the company's daily operations. The Sustainable Development Committee regularly reports to the Board of Directors on the execution of sustainability initiatives and future work plans. In 2024, the committee reported to the Board a total of three times on sustainability-related matters, including: 1.Establishment of management regulations for sustainability report preparation. 2.Integration of resources to promote ESG initiatives among stakeholders. 3.Planning and implementation of greenhouse gas inventory and third-party verification. 4.Completion of the 2024 Sustainability Report for the company and its subsidiaries. The Board of Directors regularly receives reports from the management team, reviews the progress of strategies, assesses the likelihood of success, and,	No significant differences

Items to be promoted	Implementation Status			Difference from the compared to the Sustainability Practice Guidelines for TWSE/TPEx Listed Companies and the reasons for such difference
	Yes	No	Summary	
			when necessary, urges the management team to enhance or adjust the strategies.	
II. Has the company conducted risk assessments of environmental, social and corporate governance issues pertaining to company operation in accordance with the materiality principle and established the relevant risk management policy or strategy?	V		On August 13, 2024, the Company's Board of Directors approved the revision of the "Sustainable Development Best Practice Principles" (formerly named the "Code of Ethical Conduct and Corporate Social Responsibility Best Practice Principles") to reinforce corporate social responsibility and promote a balanced and sustainable development across economic, social, and environmental aspects. In terms of economic, environmental and social issues arising from operations, the Company prevents and controls possible risks in the process of business management. According to the materiality principle, the Company also conducts a risk assessment on environmental, social and corporate governance issues associated with the Company's operation. The results of a risk assessment will be used as a reference for the Company's risk management and operations strategy. The Company has obtained the GB/T 24001-2016 / ISO 14001:2015 Environmental Management System certification, the CCATS/CN/01/220118 Hazardous Substance Process Management certification, and the GB/T 45001-2020 / ISO 45001:2018 Occupational Health and Safety Management System certification. These certifications have been continuously verified by third-party organizations. In alignment with materiality principles based on market and operational risk identification, the Company implements effective supervision and strict risk control mechanisms to ensure the execution of risk management.	No significant differences
III. Environmental issues				
(I) Does the company have an appropriate environmental management system established in accordance with its industrial characteristics?	V		(I) The Company strictly adheres to the Electronics Industry Citizenship Coalition (EICC) Code of Conduct. To ensure the effective implementation of environmental management, the Company has obtained certifications including ISO 14001, CCATS/CN/01/220118 Hazardous Substance Process Management, and GB/T 45001-2020 / ISO 45001:2018 Occupational Health and Safety Management System. These certifications enable the Group to manage environmental risks through environmental knowledge tools and technical solutions.	No significant differences
(II) Is the company committed to improving the efficiency	V		(II)The Company continues to promote environmental improvement initiatives. In the	No significant differences

Items to be promoted	Implementation Status			Difference from the compared to the Sustainability Practice Guidelines for TWSE/TPEx Listed Companies and the reasons for such difference
	Yes	No	Summary	
of energy use and using recycled materials with low impact on the environment?			office, waste is properly sorted and recycled, and lights are turned off during lunch breaks to actively practice energy conservation and carbon reduction, thereby minimizing environmental impact.	
(III) Has the Company assessed the potential risks and opportunities posed by climate change to the Company at present and in the future, and taken relevant countermeasures?	V		(III) In terms of greenhouse gas emission reduction, we have achieved localized production by joining hands with our customers to build strong production bases. Through the crossover model of vertical integration and horizontal development, we have significantly reduced the long-distance transportation chain of materials and products. Essentially, shortening carbon footprint is our first step towards emission reduction.At the same time, we have installed LED energy-saving lighting facilities in the main production base in Kunshan. We began from replacing basic hardware facilities such as eliminating the use high energy-consuming mercury lamps. Not only does this mean we no longer use high energy-consuming products, we at the same time stop the use of highly polluting mercury. As for emission reduction, the Company encourages its direct employees to use battery cars for transportation and they can charge their cars free of charge at the electric charging bays. By promoting/encouraging and providing incentives for free charging, we hope that more direct employees will reduce the use of fossil fuels and practice GHG emission reduction.	No significant differences
(IV) Has the Company kept statistics on the amount of greenhouse gas emission, water consumption and total weight of waste in the past two years, and formulated policies for greenhouse gas reduction, reduction of water consumption or management of other wastes?	V		(IV) The Company is not classified as an enterprise required by the Environmental Protection Administration to conduct and register a greenhouse gas (GHG) inventory. However, starting in 2024, the Company has voluntarily conducted Scope 1 and Scope 2 GHG inventories. The implementation status of the GHG inventory is reported to the Board of Directors on a quarterly basis.	No significant differences
IV. Social Issues				
(I) Has the company established management policies and procedures in accordance with relevant regulations and	V		(I) The Company recognizes and adheres to internationally accepted human rights standards, including the Universal Declaration of Human Rights, the United Nations Global Compact, the UN Guiding Principles on	No significant differences

Items to be promoted	Implementation Status			Difference from the compared to the Sustainability Practice Guidelines for TWSE/TPEx Listed Companies and the reasons for such difference
	Yes	No	Summary	
international human rights conventions?			Business and Human Rights, and the standards of the International Labour Organization (ILO). Personnel management policies are established in accordance with these principles, covering recruitment, employment, related benefits, and retirement procedures. All practices comply with domestic labor laws to safeguard employees' legal rights and interests.	
(II) Has the company established and implemented reasonable employee welfare measures (including salary, leave, and other benefits), and does it appropriately reflect business performance or outcomes in employee compensation?	V		(II) Employee Benefits: 1. Employees are entitled to labor insurance, national health insurance, and group insurance for overseas staff. 2. An Employee Welfare Committee has been established to organize recreational activities, leisure events, birthday celebrations, group meals, holiday gifts, and subsidies for domestic and international travel. 3. Flexible working hours are implemented. 4. Regular employee health check-ups are provided. 5. Benefits such as hospitalization consolation payments, wedding cash gifts, funeral condolence payments (including for dependents), holiday bonuses (for Labor Day, Mid-Autumn Festival, and Dragon Boat Festival), and year-end bonuses are offered. 6. Policies for the application of company vehicles and subsidies for private vehicle usage for business purposes are in place. 7. Free parking spaces are available for employees. 8. Year-end party events are organized. 9. Other benefits. To prevent sexual harassment in the employment market, maintain gender equality at work, and protect personal dignity, measures and disciplinary guidelines for preventing sexual harassment in the workplace have been established, and a responsible unit has been set up within the company to enhance the complaint mechanism.	No significant differences.

Items to be promoted	Implementation Status			Difference from the compared to the Sustainability Practice Guidelines for TWSE/TPEx Listed Companies and the reasons for such difference
	Yes	No	Summary	
			Gender Equality Indicators / Total Total Number of Employees: 630 Number of Female Employees: 421 Percentage of Female Employees (%): 67% Total Number of Supervisory Positions: 132 Number of Female Supervisors: 47 Percentage of Female Supervisors (%): 36% Total Number of Senior Executives: 28 Number of Female Senior Executives: 3 Percentage of Female Senior Executives (%): 11%	
(III) Does the company provide a safe and healthy work environment for employees, and conduct regular safety and health education for them?	V		(III) The Company has stipulated total smoking in the workplace, and conducts fire safety inspections every year in accordance with the government's fire safety regulations. Employees also undergo regular health checkups to provide employees with a safe and healthy working environment and health education. There were no incidents of fire or employee casualties in the Company during the year.	No significant differences.
(IV) Has the company established effective career development and training programs for its employees?	V		(IV) To encourage continuous learning and professional growth, the company arranges relevant training programs: 1. Supervisors provide on-the-job training through meetings and individual coaching sessions. 2. The company organizes internal training programs and supports participation in external training sessions. 3. Employees are encouraged to enroll in educational courses at colleges, universities, and graduate schools. 4. Employees can participate in training programs held by domestic training institutions. 5. Employees are offered opportunities to attend domestic field study tours. 6. Employees may be sent abroad for training or study tours.	No significant differences.
(V) Regarding customer health and safety, customer privacy, marketing, and labeling of products and services, does the company follow relevant regulations and international standards, and has it established	V		(V)Our company has obtained multiple certifications, including ISO 45001, ISO 14001, and ISO 9001. We also regularly evaluate and screen our suppliers to ensure product quality and uphold social responsibility.	No significant differences.

Items to be promoted	Implementation Status			Difference from the compared to the Sustainability Practice Guidelines for TWSE/TPEx Listed Companies and the reasons for such difference
	Yes	No	Summary	
policies and complaint procedures to protect consumer rights or customer rights? (VI) Has the company established a supplier management policy that requires suppliers to adhere to standards related to environmental protection, occupational safety and health, or labor rights, and their implementation?	V		(VI)We have signed the following with our suppliers: 1. Confirmation of social responsibility of suppliers. 2. Environmental protection agreement, and we establish standards for various harmful substances while strictly complying with RoH, REACH and other environmental protection standards to fully prevent all types of harmful substances from entering the production chain. 3. Declaration of not using harmful substances, declaration of not using halogen-containing materials, pledge of not using conflict minerals. Promotion of the Occupational Safety and Health Management System 1. Since 2018, the Company has transitioned to and obtained ISO 45001 certification through CQC verification. In practice, Jin Hao has established a strict occupational safety and health management policy, adhering to the goals of zero harm, zero occupational diseases, and zero accidents. These principles have been integrated into the core values of the Company to create the best possible working environment for all employees. 2. The Company has formulated a safety and health management policy to pursue zero injuries, zero occupational diseases, and zero accidents, creating the best work environment for all employees. Since 2018, there have been no injuries, occupational diseases and zero accidents, achieving the target. 3. Industrial safety: A disaster prevention center has been established at the headquarters in Xindian to immediate inform each plant of any safety information on typhoons, earthquakes or serious epidemics. We also set up a task force to provide immediate disaster prevention information, and conduct response training on response personnel to	No significant differences.

Items to be promoted	Implementation Status			Difference from the compared to the Sustainability Practice Guidelines for TWSE/TPEx Listed Companies and the reasons for such difference
	Yes	No	Summary	
			strengthen the Group's disaster prevention system. 4. Fire system management: Ensure that the safety software and hardware and management mechanism are in place. Problems must be addressed immediately in order to effectively reduce the risk of fire in each plant, including evacuation maps, notification of fire authorities, annual firefighting drills. 5. Occupational safety education and training: 2 fire organization drills and training on the use of building lift equipment are performed each year. The topics of firefighting activities include: Firefighting knowledge education and promotion, contents of prevention program, and fire prevention measures. The Company has 10 seed members and all employees of the Company participate in the drills. Safety audits were performed in the plants and deficiencies were corrected.	
V. Does the company refer to internationally recognized reporting standards or guidelines to prepare sustainability reports and other non-financial information disclosure reports? Are these reports supported by the assurance or opinion of a third-party verification entity?	V		The Company has completed the 2024 Sustainability Report, which includes a carbon inventory. This report is prepared in accordance with the GRI Standards 2021 issued by the Global Sustainability Standards Board (GSSB), and also aligns with the United Nations Sustainable Development Goals (SDGs), the Sustainability Accounting Standards Board (SASB) standards, the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, and the Guidelines for the Preparation and Filing of Sustainability Reports.In addition, stakeholder concerns have been identified using the AA1000 Stakeholder Engagement Standard (2015), which serves as the basis for determining the core disclosures in the report. The report is not only publicly disclosed as required, but is also available on the Company's official website.	No significant differences.
VI. If the company has its own sustainability report based on the "Sustainability Practice Guidelines for Listed and Over-The-Counter Companies," please describe the differences between its operations and the established guidelines: No significant differences.				
VII. Other important information that is helpful in understanding the status of implementation of sustainable development: The Company's official website features a dedicated Sustainability section, where relevant information will be disclosed based on actual operational circumstances. Disclosures will be made available at				

Items to be promoted	Implementation Status			Difference from the compared to the Sustainability Practice Guidelines for TWSE/TPEx Listed Companies and the reasons for such difference
	Yes	No	Summary	
https://www.jh.com.tw/esg and through the Market Observation Post System (MOPS).				

Climate-Related Information for Listed and Over-The-Counter Companies

1. Implementation of Climate-Related Information

Item	Implementation Status
I. Describe the oversight and governance of climate-related risks and opportunities by the board of directors and management.	I. The Company has established a Sustainability Committee composed of Directors, Independent Directors, and senior management. This Committee serves as the decision-making and supervisory body for the Company's sustainability-related initiatives. A dedicated sustainability unit has been assigned to develop and implement a comprehensive greenhouse gas (GHG) inventory process. The unit is also responsible for reporting detailed implementation timelines for each item of the GHG inventory plan to the Board of Directors..
II. Explain how the identified climate risks and opportunities affect the business, strategy, and finances of the enterprise (short-term, medium-term, long-term).	II. Climate Risk and Opportunity Table for 2024, Short, Medium, and Long Term

No.	Climate Change Risks	Risk level	Time Scope
R1	Increase pricing of greenhouse gas emissions	High	Short and medium term
R2	Strengthening of emission reporting obligations	Medium	Short-term
R3	Requirements and supervision of existing products and services	Medium	Short-term
R4	Replacing existing products and services with low-carbon products	Medium	Medium-term, long-term
R5	Cost of low-carbon technology transformation	Medium	Short and medium term
R6	Changes in customer behavior	Medium	Short and medium term
R7	Changes in rainfall (water) patterns and extreme changes in climate patterns	Medium	Medium-term, long-term
R8	Increased severity of extreme weather events such as typhoons and floods	Medium	Medium-term
R9	Rising raw material costs	High	Short-term, medium-term, long-term
R10	Average temperature rise	Medium	Medium-term, long-term
R11	Sea level rise	Medium	Medium-term, long-term

<table>
<tr><th>Item</th><th>Implementation Status</th></tr>
<tr><td></td><td>
<table>
<tr><td>01</td><td>Reduction of water usage and consumption</td><td>Low</td><td>Short-term, medium-term, long-term</td></tr>
<tr><td>02</td><td>Use of more efficient production and distribution processes</td><td>Medium</td><td>Medium-term, long-term</td></tr>
<tr><td>03</td><td>Recycle and reuse</td><td>Medium</td><td>Medium-term, long-term</td></tr>
<tr><td>04</td><td>Conversion to higher efficiency buildings</td><td>Low</td><td>Medium-term, long-term</td></tr>
<tr><td>05</td><td>Adopt more efficient transportation methods</td><td>Medium</td><td>Short-term, medium-term, long-term</td></tr>
<tr><td>06</td><td>Use of low-carbon energy</td><td>Medium</td><td>Medium-term, long-term</td></tr>
<tr><td>07</td><td>Adoption of incentive policies</td><td>Low</td><td>Medium-term, long-term</td></tr>
<tr><td>08</td><td>Use of new technology</td><td>Medium</td><td>Medium-term, long-term</td></tr>
<tr><td>09</td><td>Participation in the carbon trading market</td><td>Low</td><td>Medium-term, long-term</td></tr>
<tr><td>10</td><td>Shift to non-centralized energy</td><td>Low</td><td>Medium-term, long-term</td></tr>
</table>
Note: Short-term: 1-5 years; medium-term: 5-10 years; long-term: more than 10 years
</td></tr>
<tr><td>III. Describe the financial impacts of extreme weather events and transition actions.</td><td>III. The company’s operations may be accompanied by risks of various extreme weather events, such as high temperatures, droughts, typhoons, floods, and other extreme climate disasters, which could directly or indirectly cause malfunctions or abnormalities in machinery and equipment. This could lead to delivery delays, production limitations, and situations where employees are unable to attend work, all of which may also partially impact operations. Insurance has been secured for fixed assets, machinery, equipment, inventory, etc., according to the characteristics of each operational region to mitigate potential losses. However, such insurance may still not provide sufficient protection under certain circumstances and there may also be possible adverse impacts on operations.</td></tr>
<tr><td>IV. Explain how the processes of identifying, assessing, and managing climate risks are integrated into the overall risk management system.</td><td>IV. The company currently does not have a climate risk management system based on practical guidelines.</td></tr>
<tr><td>V. If scenario analysis is used to assess resilience to climate change risks, describe the scenarios, parameters, assumptions, analysis factors, and main financial impacts used.</td><td>V. The company currently does not use scenario analysis to assess resilience to climate change risks.</td></tr>
<tr><td>VI. If there is a transition plan in place to manage climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical and transition</td><td>VI. The company currently does not have a transition plan to manage climate-related risks.</td></tr>
</table>

Item	Implementation Status
risks. VII. If internal carbon pricing is used as a planning tool, explain the basis for setting the price.	VII. The company currently does not use internal carbon pricing tools.
VIII. If climate-related targets are set, explain the activities covered, the scopes of greenhouse gas emissions, the planning period, and the progress achieved annually; if carbon offsets or Renewable Energy Certificates (RECs) are used to meet the targets, explain the source and amount of the carbon reduction or the number of Renewable Energy Certificates (RECs).	VIII. The company has completed Scope 1 to Scope 6 greenhouse gas inventories for Ji-Haw Industrial Co.,Ltd. and Ji-Haw Opto-Electrical (Kunshan) Co., Ltd. (J.H.P) The company plans to include its other subsidiaries in the greenhouse gas inventory process on a yearly basis and is also carefully evaluating options such as carbon offsets and renewable energy.
IX. Greenhouse gas inventory and verification, reduction targets, strategies, and specific action plans.	IX. The company has completed greenhouse gas inventories for Ji-Haw Industrial Co.,Ltd. and Ji-Haw Opto-Electrical (Kunshan) Co., Ltd. (J.H.P) and has obtained third-party verification of these inventories. The company plans to include its Thailand facility in the greenhouse gas inventory by 2025. Based on the status of each company's inventory, the company will further plan emission reduction targets and corresponding actions.

1-1 Greenhouse Gas Inventory and Verification for the Past Two Years: NA.

1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans: NA.

(VI)Implementation of Ethical Management and Differences and Reasons Compared to the Ethical Management Guidelines of Listed and Over-The-Counter Companies:

Evaluation Item	The State			Difference from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
I. Formulating Ethical Management Policies and Plans				
(I) Has the company established an ethical management policy approved by the Board of Directors, and does it explicitly state the policy and practices of ethical management in regulations and external documents, along with the commitment of the Board and senior management to actively implement these policies?	V		(I)The Company has established regulations such as the "Ethical Corporate Management Best Practice Principles," the "Procedures for Ethical Management and Guidelines for Conduct," and the "Code of Ethical Conduct" to govern all business activities with integrity. The Board of Directors and senior management are also committed to actively implementing the ethical management policy.	No significant differences
(II) Has the company established a risk assessment mechanism against unethical acts, analyzed and	V		(II)The Company has clearly stipulated in the "Procedures for Ethical Management and Guidelines for	No significant differences

Evaluation Item	The State			Difference from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
assessed business activities within their business scope regularly that are at a higher risk of being involved in unethical acts, and established prevention programs covering at least the preventive measures specified in Paragraph 2, Article 7 “Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies”?			Conduct” that regular analysis and assessment of the risks of unethical conduct within the scope of business operations must be conducted. Based on these assessments, plans to prevent unethical behavior shall be formulated, including preventive measures for the types of conduct listed in Article 7, Paragraph 2 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.	
(III) Does the company clearly define procedures, guidelines for behavior, penalties for violations, and a complaint system within its plans to prevent unethical behaviors, ensure their implementation, and regularly review and revise these plans?	V		(III)The Company’s “Procedures for Ethical Management and Guidelines for Conduct” and “Code of Ethical Conduct” stipulate plans for preventing unethical conduct, and explicitly define operating procedures, behavioral guidelines, disciplinary actions for violations, and a complaint mechanism. These measures are also thoroughly implemented.	No significant differences
II. Implementing Ethical Management				
(I) Does the company assess the integrity records of its business partners and explicitly include ethical behavior clauses in the contracts signed with them?	V		(I)The Company has established the "Ethical Corporate Management Best Practice Principles," which clearly require all suppliers to sign and comply with the following: no gift-giving, no kickbacks, and prohibition of related-party transactions. Any violation will result in the termination of business relations. A disciplinary and grievance system is implemented to ensure reasonable pricing, optimal quality, and the best service. Internal auditors regularly review compliance with these regulations, report any irregularities to the Board of Directors, and promote the Company’s philosophy of honest business practices during board meetings.	No significant differences
(II) Does the company have a unit dedicated to promoting business integrity under the Board of Directors, and does it report regularly (at least once a year) to the Board on its ethical management policies, plans to prevent unethical behaviors, and	V		(II) To implement ethical business practices, the Company has established the “Procedures for Ethical Management and Guidelines for Conduct.” The General Administration Department is designated as the dedicated unit responsible for assisting the Board of	No significant differences

Evaluation Item	The State			Difference from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
the supervision of their implementation?			Directors and management in formulating and supervising the implementation of ethical management policies and preventive measures, based on the functions and scope of each department. This includes planning and executing employee education and awareness initiatives as well as a whistleblower system to ensure the effective enforcement of the Code of Ethical Conduct. Reports on implementation are submitted to the Board of Directors at least once a year.In 2024, there were zero reported whistleblower cases, and the Company plans to report the implementation status to the Board in Q4 of 2025.	
(III) Has the company established a conflict of interest policy, provided appropriate disclosure channels, and effectively implemented them?	V		(III)The Company's "Procedures for Ethical Management and Guidelines for Conduct" and "Code of Ethical Conduct" stipulate conflict-of-interest prevention policies and procedures for all levels of personnel. A dedicated grievance mailbox and email address (lijenny@jh.com.tw) have been set up to provide employees with an open channel for filing complaints.	No significant differences
(IV) Has the company established effective accounting and internal control systems for implementing ethical management, with the internal audit unit drafting audit plans based on the assessment results of unethical behavior risks, checking compliance with the plans to prevent unethical behaviors, or having accountants perform the audits?	V		(IV)The Company's accounting and internal control systems operate effectively. In addition to audits conducted by external accountants, internal audits are performed periodically or on an ad hoc basis by the internal audit unit in accordance with regulations.	No significant differences
(V) Does the company regularly conduct internal and external training on ethical management?	V		(V)The Chairman regularly promotes ethical practices during routine management meetings. The General Management Office also conducts internal training sessions on an irregular basis each year.	No significant differences
III. State of operations of the company's reporting system				
(I) Has the company set up a specific	V		(I)The Company has established a	No significant

Evaluation Item		The State			Difference from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
		Yes	No	Summary	
	reporting and incentive system, and established a channel to facilitate grievances and assigned dedicated personnel to receive grievances?			disciplinary and whistleblowing system for violations, which operates under a confidentiality mechanism and is available at all times to receive reports and complaints. This provides employees with a clear and accessible grievance channel. A dedicated complaint email address has been set up: lijenny@jh.com.tw.	differences
(II)	Has the company implemented any standard operating procedures and/or subsequent measures after carrying out an investigation or confidentiality measures for handling grievances filed?	V		(II)The Company has established a clear and effective reward and disciplinary system that integrates the ethical corporate management policy, employee performance appraisals and the human resources policy. The Company has set up dedicated personnel and unit that receive complaints. If a major violation is found after investigation or if there is a risk of major damage to the Company, a report shall be compiled immediately with independent directors and supervisors notified in writing.	No significant differences
(III)	Has the company taken appropriate measures to protect the whistleblower from improper treatment as a result of whistleblowing?	V		(III)The Company protects the identity of the whistleblower from improper treatment as a result of whistleblowing	No significant differences
IV.	Enhance information disclosure Has the company disclosed the content of its Ethical Corporate Management Best-Practice Principles and the results of implementation on its official website and MOPS?	V		The Company has disclosed its "Ethical Corporate Management Best Practice Principles," "Procedures for Ethical Management and Guidelines for Conduct," and "Code of Ethical Conduct" on the corporate website. A designated personnel is responsible for disclosing financial, operational, and corporate governance information. https://www.jh.com.tw/esg-98-114-page191	No significant differences
V.	If the company has formulated its own Ethical Corporate Management Best-Practice Principles in accordance with the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies", please describe the differences between its operation and the Principles: No significant differences.				
VI.	Any other important information that may help understanding the performance of ethical corporate management better: (e.g., review of an amendment to its Ethical Corporate Management Best-Practice Principles): The Company complies with relevant laws and regulations as the foundation for implementing ethical business practices. It also continuously monitors regulatory developments and reviews internal policies in a timely manner to ensure ongoing compliance.				

(VII)Other information material to the understanding of corporate governance that may be disclosed together: https://www.jh.com.tw/esg-98-114-page191=> Corporate sustainability->Corporate governance->Company internal rules.

(VIII)The following matters shall be disclosed for the implementation of an internal control system:

1. Statement of Internal Control System:
   Please refer to the Market Observation Post System under "Individual Company" → "Corporate Governance" → "Company Rules/Internal Control" → "Internal Control Statement Announcement".
2. CPA audit report, where a CPA was engaged to carry out a special audit of the internal control system: None.

(IX)In the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, important resolutions adopted at the shareholders' meeting or board of directors meeting:

1. Important resolutions of the Company's 2024 general shareholders' meeting and their implementation:

Date of Meeting	Important Resolution	Implementation Status
2024.06.28 General Shareholders' Meeting	1. Approval of the 2023 Business Report and Financial Statements.	(1) Voting Results: 47,440,966 votes in favor, accounting for 96.47% of voting rights of shareholders present. The number of votes in favor exceeded the statutory requirement; the proposal was approved as presented. (2) The result has been announced on the Market Observation Post System (MOPS).
	2. Approval of the 2023 Loss Compensation Proposal.	(1) Voting Results: 47,440,945 votes in favor, accounting for 96.47% of voting rights of shareholders present. The number of votes in favor exceeded the statutory requirement; the proposal was approved as presented. (2)No dividends were distributed.
	3. Approval of the Amendments to Certain Provisions of the "Procedures for Acquisition or Disposal of Assets."	(1) Voting Results: 47,451,963 votes in favor, accounting for 96.50% of voting rights of shareholders present. The number of votes in favor exceeded the statutory requirement; the proposal was approved as presented. (2) The amended procedures have been announced on the Market Observation Post System (MOPS).
	4. Approval of the By-election of an Independent Director:	(1) Elected Independent Director: Mr. Tsai-Fu Lin. (2) Term of Office: From June 28, 2024 to June 28, 2026.
	5. Approved the removal of restrictions on competing behaviors of new directors.	(1) Voting Results: 47,175,173 votes in favor, accounting for 95.93% of voting rights of shareholders present. The number of votes in favor exceeded the statutory requirement; the proposal was approved as presented. (2) A resolution was passed at the shareholders' meeting to lift the non-competition restriction for the newly elected director.

2. Important resolutions of the Board of Directors in 2024 and up to the printing date of this annual report:

Date of Meeting	Important Resolution
2024.01.30	1. Approval of the Company's new investment project. 2. Approval of the performance evaluation of the Board of Directors and functional committees. 3. Approval of year-end bonuses for the Chairman and managerial officers. 4. Approval of the appointment of managerial officers. 5. Approval of managerial officers' compensation. 6. Approval of the establishment of the Sustainability Development Committee and the enactment of the "Sustainability Development Committee Charter." 7. Approval of the appointment of the first-term members of the Sustainability Development Committee.
2024.03.13	1. Approval of the appointment of the Acting General Manager. 2. Approval of the Company's 2023 Business Report and Financial Statements. 3. Approval of the 2023 Loss Compensation Proposal. 4. Approval of the Internal Control System self-assessment declaration. 5. Approval of the appointment of the 2023 CPA and assessment of their independence and service fees. 6. Approval of an additional investment project. 7. Approval of the enactment of the "Sustainability Development Committee Compensation Policy." 8. Approval of compensation for the Acting General Manager. 9. Approval of the by-election of an Independent Director. 10. Approval of matters related to convening the Company's 2024 first Annual General Meeting.
2024.05.13	1. Approval of the Q1 2024 Consolidated Financial Statements. 2. Approval of the revised 2023 Profit and Loss Appropriation Proposal. 3. Approval of the endorsement/guarantee for Chin-Tien Technology Co., Ltd., a wholly owned subsidiary. 4. Approval of the by-election of an Independent Director. 5. Approval of the release of non-competition restrictions for the newly elected Independent Director.
2024.06.27	1. Approval to terminate the private placement of common shares approved at the 2023 AGM. 2. Approval of the custodian for the Company's seal used for endorsements and guarantees. 3. Approval of the financing credit line agreement with financial institutions.
2024.08.13	1. Approval of the change in accounting policy for investment property subsequent measurement from cost model to fair value model. 2. Approval of the restatement of Q1 2024 Consolidated Financial Statements. 3. Approval of the Q2 2024 Consolidated Financial Statements. 4. Approval of the revision of the "Code of Ethical Conduct and Corporate Social Responsibility Best Practice Principles" to "Sustainability Best Practice Principles," and the addition of the "Code of Ethical Conduct."
2024.11.13	1. Approval of the Q3 2024 Consolidated Financial Statements. 2. Approval of the amendments to the "Rules of Procedure for Board Meetings," "Ethical Corporate Management Best Practice Principles," "Audit Committee Charter," "Material Internal Information Handling Procedures," and "Corporate Governance Best Practice Principles." 3. Approval of the enactment of the "Duties of Independent Directors," "Insider Trading Prevention Guidelines," and "Procedures for Ethical Management and Guidelines for Conduct."
2024.12.26	1. Approval of the Company's 2025 Business Plan. 2. Approval of the 2024 CPA service fee proposal.

Date of Meeting	Important Resolution
	3. Approval of the 2025 Internal Audit Plan. 4. Approval of the addition of "Internal Control System – Sustainability Information Management" and "Internal Audit Implementation Guidelines – Sustainability Information Management." 5. Approval of the appointment of the Head of Internal Audit. 6. Approval of the appointment of managerial officers. 7. Approval of year-end bonuses for the Chairman and managerial officers. 8. Approval of the enactment of the "Board Performance Evaluation Policy" and the repeal of the "Performance Evaluation Policy for Directors, Supervisors, and Managerial Officers."

(V) For the most recent fiscal year and up to the date of the annual report publication, any directors or supervisors who disagreed with major resolutions passed by the board of directors and who have recorded or issued written statements, the main content is: None.

IV. Public Fees of CPA

CPA professional fees

Amount unit: NT$ thousand

Name of accounting firm	Name of CPA	Audit period	Audit fee	Non-audit fees (Note 1)	Total	Remarks
Deloitte Taiwan	Yao-Lin Huang Shih- Chieh Chou	January 1, 2024, to December 31, 2024	3,630	650	4,280	None

Note 1: Non-audit fees include services such as the settlement of corporate income tax returns.

(I) In cases where the accounting firm is changed and the audit fees paid in the year of change are less than the audit fees of the previous year, the amounts of audit fees before and after the change and the reasons should be disclosed: There are no such cases.

(II) If the audit fees decrease by more than ten percent compared to the previous year, the amount of decrease, the percentage, and the reasons should be disclosed: There are no such cases.

V. Information on replacement of CPAs:

(I) Change of CPA: No such situation.

(II) Successor CPA: Not applicable.

(III) The matters specified in Item 1 and Item 3, Subparagraph 2, Paragraph 5, Article 10 of the Regulations Governing Information to be Published in Annual Reports have not been referred to the former CPA: Not applicable.

VI. Where the company's chairman, president, or any company 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, the name and position of the person, and the period during which the position was held, shall be disclosed: No such situation.

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

(I) Changes in the shareholdings of directors, managers and shareholders holding more than 10% of the shares: Please refer to the Market Observation Post System under "Individual Company"→"Shareholding Changes/Securities Issuance"→ "Equity Transfer Information Inquiry" → "Post-Event Declaration of Insider Shareholding Changes".

(II) Relative parties to the transfer of equity involving directors, managers, and shareholders who hold more than ten percent of the shares: None.

(III) Relative parties to the pledge of equity involving directors, managers, and shareholders who hold more than ten percent of the shares: 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; May 2, 2025

Name	Number of shares held		Shareholding of Spouses and Minor Children		Total number of shares held in the name of others		Top ten shareholders who are related parties or are spouses or relatives within the second degree of kinship, including their names or personal names and relationships.		Remarks
	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	Name (or name)	Relationship	
Lin Wen-Hwang	3,261,901	2.89%	0	0.00%	0	0.00%	None	None	None
Wang Qing dong	1,800,000	1.60%	0	0.00%	0	0.00%	None	None	None
Citibank Custody – Berkeley Capital SBL/PB Investment Account	1,731,000	1.54%	0	0.00%	0	0.00%	None	None	None
Cho Hui-Wen	1,508,000	1.34%	0	0.00%	0	0.00%	None	None	None
Chen Jin Tian	1,470,000	1.30%	0	0.00%	0	0.00%	None	None	None
Zhang Baoming	1,258,000	1.12%	0	0.00%	0	0.00%	None	None	None
UBS Europe SE Investment Account, Custodied by Citibank	1,079,484	0.96%	0	0.00%	0	0.00%	None	None	None
HSBC Bank (Taiwan) Limited – Custodian for Merrill Lynch International Investment Account	938,000	0.83%	0	0.00%	0	0.00%	None	None	None
Zheng Chao	901,112	0.80%	0	0.00%	0	0.00%	None	None	None
Chang Yawen	855,000	0.76%	0	0.00%	0	0.00%	None	None	None

IX. The total number of shares and total equity stake held in any single enterprise by the company, its directors and supervisors, company officers, and any companies controlled either directly or indirectly by the company

Unit: shares; March 31, 2025

Reinvested business (Note 1)	The Company's investment		Directors, managerial officers, and investments in businesses directly or indirectly controlled by directors, managers, and directors		Comprehensive investment	
	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio
Ji-Haw Artificial Intelligence Technology (Kunshan) Co., Ltd. (J.H.K)	(Note 2)	100%	-	-	(Note 2)	100%
Ji-Haw Opto-Electrical (Kunshan) Co., Ltd. (J.H.P.)	(Note 2)	40.48%	(Note 2)	59.52%	(Note 2)	100%
J.B.T Industrial Co., Ltd.（J.B.T）	18,600,000	100%	-	-	18,600,000	39%
Ji-Haw Investment Co., Ltd. (J.H.I.)	300,000	100%	-	-	300,000	100%
JI-HAW TECHNOLOGY VN CO., LTD（J.H.V）	Note 2	100%	-	-	(Note 2)	100%
CHINTEK INC.	5,100,000	100%	-	-	5,100,000	100%
Yongxian Think Tank Co., Ltd.	2,000,000	80%	-	-	2,000,000	80%
Heph A.I studios Technology CO., LTD.)	4,500,000	100%	-	-	4,500,000	100%
Silicon Test Tech. Corp.	1,660,000	68.93%	-	-	1,660,000	68.93%
Jin-Zuan Semiconductor Investment Co., Ltd.	4,610,000	53.22%	-	-	4,610,000	53.22%

Note 1: Investment under equity method.
Note 2: No shares as it is a limited company.

Three. Fundraising Status

I. Company capital and shares

(I) Source of share capital:

1.History of Capital Formation:

Unit: NT$ thousand/shares

Year/ month	Issue price	Authorized share capital		Paid-up capital		Remarks				
						Source of share capital			Offset by any property other than cash	Others
		No. of shares	Amount	No. of shares	Amount	Treasury stock.	Earnings	Total		
2006.09	10	135,000,000	1,350,000	113,657,220	1,136,572	(18,000)	69,568	51,568	None	Note 1
2007.08	10	135,000,000	1,350,000	119,166,251	1,191,662	-	55,090	55,090	None	Note 2
2008.10	10	135,000,000	1,350,000	115,912,251	1,159,122	(32,540)	-	(32,540)	None	Note 3
2009.07	10	135,000,000	1,350,000	112,719,251	1,127,192	(31,930)	-	(31,930)	None	Note 4
2024.07	10	180,000,000	1,800,000	112,719,251	1,127,192	-	-	-	None	Note 5

Note 1: Capital increase of NTD69,567,910 and cancellation of treasury stock of NTD18,000,000 were approved by Jing-Shou-Xhang-Zi No.09501205050.

Note 2: Capital increase of NTD55,090,310 was approved by Jing-Shou-Xhang-Zi No.09601205030.

Note 3: Treasury stock of NTD32,540,000 was approved by Jing-Shou-Xhang-Zi No.09801159490.

Note 4: Treasury stock of NTD31,930,000 was approved by Jing-Shou-Xhang-Zi No.09801159490.

Note 5: Increase total approved capital by $450,000,000 was approved by Jing-Shou-Xhang-Zi No.11230133440.

2.Types of Shares

April 30, 2025

Type of shares	Authorized share capital			Remarks
	Outstanding shares	Unissued shares	Total	
Common shares	112,719,251 shares	67,280,749 shares	180,000,000 shares	Listed stocks

3. Information related to blanket reporting system : Not applicable.

(II) List of Major Shareholders

Unit: shares; May 2, 2025

Shares / Name of The Major Shareholder	Number of shares held	Shareholding ratio
Lin Wen-Hwang	3,261,901	2.89%
Wang Qing dong	1,800,000	1.60%
Citibank Custody – Berkeley Capital SBL/PB Investment Account	1,731,000	1.54%
Cho Hui-Wen	1,508,000	1.34%
Chen Jin Tian	1,470,000	1.30%
Zhang Baoming	1,258,000	1.12%
UBS Europe SE Investment Account, Custodied by Citibank	1,079,484	0.96%
HSBC Bank (Taiwan) Limited – Custodian for Merrill Lynch International Investment Account	938,000	0.83%
Zheng Chao	901,112	0.80%
Chang Yawen	855,000	0.76%

(III) Company's dividend policy and implementation

1. Dividend policy stipulated in the Articles of Incorporation:

If the Company makes a profit for the year, 3% - 15% should be appropriated as employee remuneration and 1% - 5% as directors' remuneration. However, if the Company still has accumulated losses, it should first set aside an amount to cover losses.

Remuneration to employees in the preceding paragraph distributed in shares or cash must be employees of control or subordinate companies who meet certain criteria. The criteria are authorized to the Board of Directors for determination.

If there is a profit for the year, the Company shall first pay taxes and cover previous losses, then 10% of the net profit after tax shall be set aside as legal reserve, except for when the accumulated legal reserve has reached the Company's total paid-in capital. Special reserve may be set aside or reversed as required by the Company's operating needs or the law or regulations. Any balance thereof still available shall, the Board of Directors shall allocate 10% to 100% of the undistributed earnings and prepare an earnings distribution proposal to be submitted to the shareholders' meeting for ratification.

The cash dividends shall not be less than 30% of the total dividends. however, if the cash dividends are less than NT$0.1 per share, dividends may be distributed in the form of shares. The rates for earnings distribution are adjusted by resolution of the shareholders meeting depending on the actual profit of the year, capital budget and the Company's state of capital.

When the said earnings distribution is made in the form of cash dividends, the Board of Directors is authorized to reach resolution and to report to the shareholders' meeting.

2. Dividend distribution proposed at the shareholders' meeting:

The Company's 2024 loss appropriation proposal was approved by the Board of Directors on March 12, 2025, and it is proposed that no dividends be distributed.

3. Expected material change in dividend policy: No such situation.

(IV) The impact of the stock dividend as proposed in the current shareholders' meeting on the Company's operating performance and earnings per share:

Due to the loss incurred in 2024, the Company proposes not to distribute dividends. This has no impact on the Company's operating performance or earnings per share.

(V) Remuneration to employees, directors, and supervisors:

1. The percentage or range of employees'/directors'/supervisors' remuneration stated in the Articles of Incorporation:

If the Company makes a profit in the year, 3% - 15% of the profit should be appropriated as remuneration to employees and 1% - 5% as remuneration to directors. However, if the Company still has accumulated losses, it should first set aside an amount to cover losses.

Remuneration to employees in the preceding paragraph distributed in shares or cash must be employees of control or subordinate companies who meet certain criteria. The criteria are authorized to the Board of Directors for determination.

2. Estimation basis for the amount of compensation for employees, directors, and supervisors for the current period, basis for calculating the number of shares for employee compensation distributed in stock, and the accounting treatment if the actual

distributed amount differs from the estimated amount: No such situation.

3. Board of directors' approval of compensation distribution:

(1) Amount of employee compensation and compensation for directors and supervisors distributed in cash or stock:

As the current period resulted in a net loss before tax, it is proposed that no remuneration be distributed to employees and directors.

(2) Amount of employee compensation distributed in stock and the ratio to the net profit after tax of the current period's individual or standalone financial statements and the total employee compensation: Not applicable**.**

4. Actual distribution of compensation to employees, directors, and supervisors in the previous year (including the number of shares distributed, the amount, and the share price), and differences from the recognized compensation should also state the difference, reasons, and handling:

The Company did not allocate employee bonuses or director remuneration for 2024, consistent with the Board of Directors' resolution passed on March 12, 2025.

(VI) Company's repurchase of its own shares: None.

II. Issuance of corporate bonds: None.

III. Preferred shares: None.

IV. Global depository receipts: None.

V. Employee share subscription warrants: None.

VI. Issuance of new restricted employee shares: None.

VII. Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies：None.

VIII. Implementation of Capital Utilization Plan

As of the previous quarter of the publication date of the annual report, the content of the plan and execution status of the previous securities issuance or private placement that have not been completed or have been completed in the past three years and have not yet shown the benefits of the plan: None.

Four. Operational overview

I. Description of the business

(I) Scope of business

1. Principal business activities:

01. B202010 Non-metallic Mining.
02. C801110 Fertilizer Manufacturing.
03. C802070 Agro-pesticides Manufacture.
04. C802100 Cosmetics Manufacturing.
05. C802990 Other chemical products manufacturing.
06. C901010 Ceramics and Ceramic Products Manufacturing.
07. CC01020 Electric Wires and Cables Manufacturing.
08. CC01080 Electronic Components Manufacturing.
09. CC01110 Computer and Peripheral Equipment Manufacturing.
10. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing.
11. F106030 Wholesale of Molds.
12. F107050 Wholesale of Fertilizers.
13. F108011 Wholesale of Traditional Chinese Medicine.
14. F108021 Wholesale of Western Medicines.
15. F108031 Wholesale of Medical Devices.
16. F108040 Wholesale of Cosmetics.
17. F199990 Other Wholesale.
18. F207050 Retail Sale of Fertilizer.
19. F208040 Retail Sale of Cosmetics.
20. F299990 Other Retail Sale.
21. F119010 Wholesale of Electronic Materials.
22. F206030 Retail Sale of Molds.
23. F219010 Retail Sale of Electronic Materials.
24. F118010 Wholesale of Information Software.
25. F218010 Retail Sale of Information Software.
26. F213030 Retail sale of Computers and Business Machines.
27. F113050 Wholesale of Computers and Clerical Machinery Equipment.
28. F399040 Retail trade without storefront.
29. F401010 International Trade.
30. I301010 Information Software Services.
31. I301020 Data Processing Service Industry.

32. I301030 Electronic Information Supply Services.

33. I199990 Other Consulting Services.

34. IG01010 Biotechnology Services.

35. IZ99990 Other Industrial and Commercial Services.

36. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. Weight of business:

Product	Weighting (%)
Connectors	89
Others	11

3. The Company's current products:

(1) Wire and cable processing and manufacturing of wire and circuit boards.

(2) Precision electronic sockets, connectors and related components.

(3) Molds, injection molding, stamping parts and other electronic parts for electronic components.

(4) Various cable assemblies for signal transmission and various cables.

(5) Applications for automotive wire and cable assemblies, automotive sensor wire assemblies, and other wire and cable assemblies.

(6) Flexible flat cable and ultra-thin coaxial cable for NB/TV/monitor.

(7) Face recognition machine

(8) One-stop AI solution for all fields

4. New products planned for development:

Although the connector industry is considered a relatively mature market, its demand has remained stable and continues to grow steadily. Looking ahead, Jin-Hao will focus on high-frequency, high-speed, and high-precision connectivity products, while further strengthening its presence in the server and automotive electronics sectors. With connectors and component assemblies as our core development direction, we are also committed to providing comprehensive process technology solutions to meet the needs of future technological innovation and smart living, unlocking more development possibilities.

In the 3C (computer, communication, and consumer electronics) market, the evolution of high-frequency and high-speed products has made Type-C the mainstream connection standard. As ultra-slim laptops reduce the number of traditional ports, the demand for Type-C becomes even more urgent. Type-C not only offers high-speed data transmission and audio-visual output but also significantly improves power delivery, becoming a critical interface for modern devices. Jin-Hao's product development will emphasize miniaturization, efficiency, and multi-function integration, while adopting cost-effective manufacturing technologies suitable for mass production and assembly, to enhance market competitiveness.

In the server and data center segment, the growing needs of cloud computing and high-speed AI processing have made high-speed transmission technology a key development trend. Jin-Hao is actively developing high-speed cables for servers, such as PCIe, CXL, and optoelectronic hybrid transmission technologies, to support higher bandwidth and lower latency in data processing.

Moreover, in the automotive electronics and smart industrial sectors, global

supply chain stability and product reliability have become decisive factors. Given the higher technological barriers and lengthy certification and implementation processes, the automotive connector market has become a driving force behind the stable growth of the connector industry in recent years. Jin-Hao will collaborate with leading international automakers and supply chain partners to develop highly durable and secure automotive connectivity solutions, gradually implementing them across various vehicle types and intelligent transportation systems to expand market share.

Adhering to our core philosophy of "Connecting AI," Jin-Hao is dedicated to supporting customers in entering and thriving in the AI industry. As an integrated hardware and software enterprise, we provide end-to-end services covering design, manufacturing, production, and sales. We offer comprehensive solutions for AI computing, intelligent edge devices, and automation applications. Moving forward, Jin-Hao will continue to deepen technological innovation and link the AI value chain to bring forth more possibilities in the era of intelligence.

(II) Industry Overview

1. Current Status and Development of the Industry

As technology continues to advance and market demands evolve, the consumer electronic cable industry faced both challenges and opportunities in 2024 across a wide range of application markets. While traditional applications such as PCs, notebooks, tablets, and monitors continue to exhibit stable demand, market growth has slowed. As a result, cable manufacturers are increasingly shifting their focus toward automotive, server, industrial equipment, and AI-related applications to explore new markets and enhance product value.

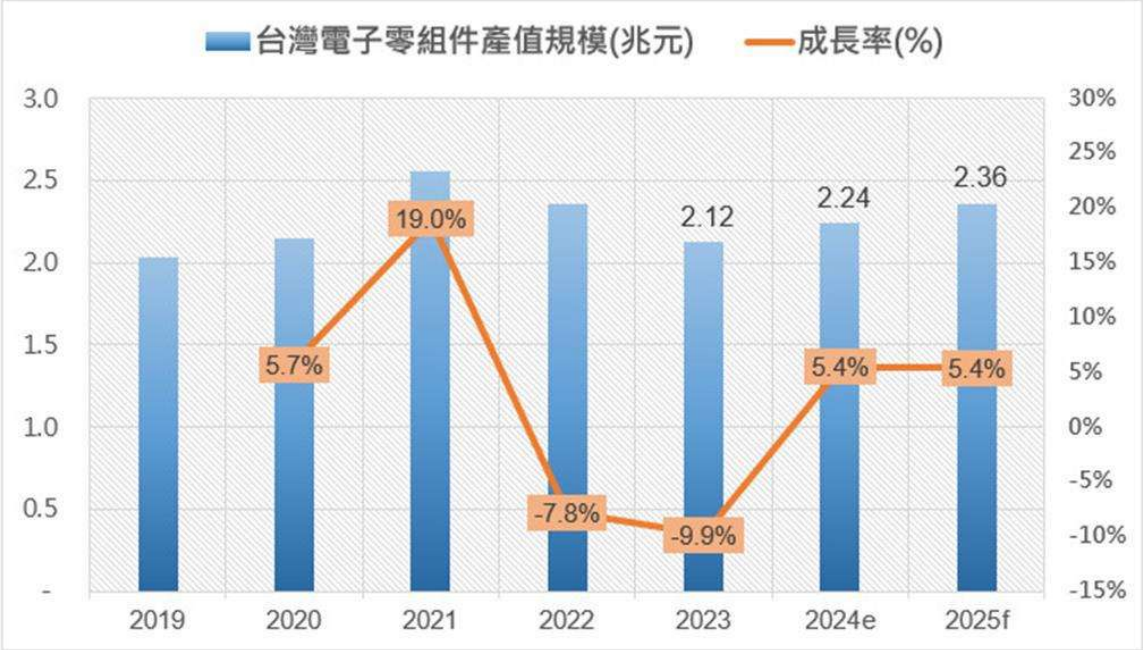
In 2024, high-speed transmission and high-power charging technologies have become key development directions for cables. With the widespread adoption of technologies such as Type-C, Thunderbolt, and HDMI 2.1, connectivity in consumer electronics is becoming more standardized and performance-oriented. Moreover, growing demand from applications such as automotive electronics, cloud servers, and 5G communication equipment is driving the development of high-speed wiring and optoelectronic conversion technologies, pushing cable products toward greater precision and stability.

In the automotive sector, the rise of electric vehicles (EVs) and autonomous driving technologies has significantly increased the demand for automotive wire harnesses. On the other hand, the server market, influenced by the expansion of AI computing and data centers, continues to see rising demand for high-speed transmission cables and fiber optic connectivity.

Heading into 2025, cable manufacturers are expected to move further toward high-performance applications and smart manufacturing. The development of AI servers, high-speed communication systems, and industrial automation is set to drive increasing demand for high-speed transmission cables and optoelectronic conversion solutions. In addition, global environmental trends are pushing for halogen-free materials, recyclable cables, and low-power technologies. Enterprises must strengthen their R&D and production strategies to align with green supply chain standards.

To respond to market changes, the cable industry is accelerating the adoption of smart manufacturing, automated inspection, and AI-driven quality management systems to improve production efficiency and product reliability. It is anticipated that in 2025, high-speed transmission, eco-friendly technologies, and multifunctional integration will become the core competitive strategies for cable manufacturers, ushering in a new wave of market growth.

Analysis of Industry Trends in the Electronic Components Sector



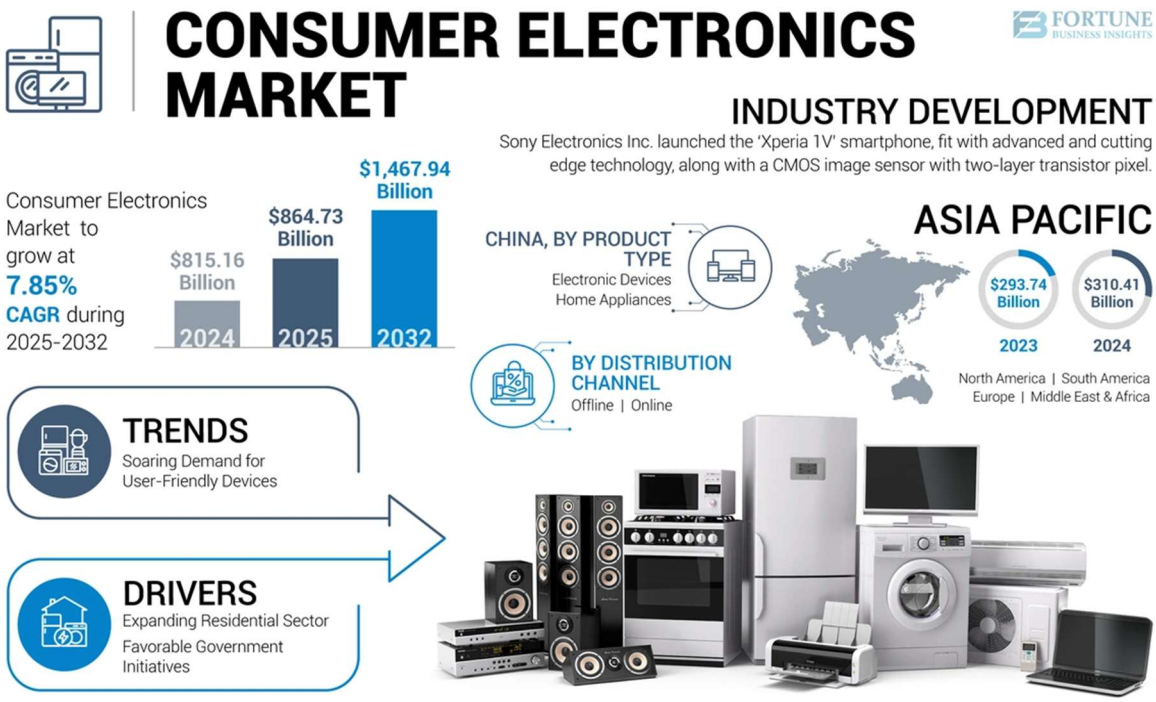
According to the Industrial Economics and Knowledge Center (IEK) of ITRI, AI is bringing profound impacts and business opportunities to the electronic components industry. In particular, the enhancement of specifications is a key factor driving industry output growth. Taiwan's electronic components industry is expected to grow by 5.4% in 2024, reaching an annual production value of NT$2.24 trillion, which is in line with the estimate from the first half of the year.

The rapid rise of artificial intelligence has triggered a revolutionary transformation across the industry. With significantly increased computing power, electronic product systems are undergoing changes in design thinking and integrating various new elements. As AI continues to break through computational boundaries and rapidly penetrates from the cloud to edge devices, it is creating profound impacts and opportunities, especially by pushing up product specifications, which has become a critical driver of industry value.

Beyond system-level innovations, evolving end-user applications are also propelling technological advancements and market growth. Driven by AI, automotive electronics, and satellite communications, the outlook for PCBs in 2024 is highly optimistic, with strong and sustained demand expected. Passive components are seeing a focus on product specification upgrades due to developments in AI and automotive markets. Emerging Micro LED technology is expected to gain a foothold first in AR smart glasses and then expand into high-end applications such as TVs, smartwatches, automotive displays, and transparent panels. As the technology matures and costs decrease, the market is entering a high-growth phase. The integration of Tiny ML (Tiny Machine Learning) algorithms with sensors will further drive the emergence of AI-capable sensors (AI sensors).

Taiwan is home to a large number of electronic component manufacturers, supported by a strong foundation in technology and R&D capabilities. Many of these companies are key suppliers and strategic partners to globally renowned brands. As enterprises push forward technological innovations, they generate continuous momentum for industry growth, which is also crucial for maintaining competitiveness. Overall, Taiwan plays a vital and irreplaceable role in the global electronic components supply chain and remains one of the country's most essential industries.

Global device shipments



Asia Pacific Consumer Electronics Market Size, 2019-2032 (USD Billion)

In 2024, the global consumer electronics market reached a value of USD 815.16 billion and is projected to grow from USD 864.73 billion in 2025 to USD 1.46794 trillion by 2032, with a compound annual growth rate (CAGR) of 7.85% from 2025 to 2032. In the Asia-Pacific region, the market size reached USD 293.74 billion in 2023 and increased to USD 310.41 billion in 2024, accounting for 38.08% of the global market, indicating a sustained growth trend.

Consumer electronics have become highly prevalent in households, with large-screen televisions gaining increasing popularity. At the same time, the miniaturization of electronic components continues to advance. As consumer demand rises for high-performance and user-friendly devices, leading companies are focused on developing more convenient and efficient products. Technological advancement and digitalization are expected to further boost demand for electronic products and household appliances.

In 2024, the Asia-Pacific consumer electronics market reached USD 310.41 billion. The region is expected to maintain a dominant position in the global market, largely due to the strong presence of major companies such as Sony, Samsung, Panasonic, and LG in countries like South Korea, China, and Japan. Additionally, surging demand from Western countries for Asian-made consumer electronics has further fueled market growth.

For instance, according to a report by *Outlook India* in January 2023, Apple's iPhone assembly in India involves major contract manufacturers including Foxconn, Wistron, and Pegatron, with component suppliers such as Salcomp, Avary, Sunwoda, and Foxlink. These companies collectively created around 100,000 jobs in India in 2023, underscoring the region's pivotal role in the global consumer electronics supply chain.

Moreover, the rise in disposable income across the Asia-Pacific region continues to drive household appliance consumption in China, India, and Southeast Asian countries. This trend is expected to be a key driver of market expansion in the coming years. Against this backdrop, companies must adapt to the evolving market environment and accelerate the launch of innovative technologies and products to respond to changing demand and seize growth opportunities in the consumer electronics sector.

Global notebook computer shipments and growth rate changes

According to the latest research by TrendForce, the global notebook market in 2024 has seen a slow recovery in demand due to high interest rates and geopolitical uncertainties. The total annual shipment is projected to reach 174 million units, representing a 3.9% year-over-year growth. Looking ahead to 2025, the conclusion of the U.S. presidential election is expected to reduce political uncertainty, and the U.S. Federal Reserve's anticipated interest rate cuts starting in September 2024 should improve capital liquidity. Additionally, the end of support for Windows 10 and commercial device replacement demand are expected to drive a 4.9% year-over-year increase in notebook shipments, reaching 183 million units.

TrendForce notes that notebooks remain primarily productivity-focused devices, with shipment growth largely driven by accumulated deferred replacement demand. The contribution of AI-powered laptops remains limited for now. However, as brands integrate AI functionalities, the penetration rate of AI notebooks is expected to rise naturally, aligning with ongoing trends in hardware specification upgrades.

By market segment, business notebooks in 2024 have been impacted by global layoffs and political and economic instability, resulting in conservative demand and weaker-than-expected order releases. In 2025, as negative factors subside and liquidity improves with interest rate cuts, the commercial market is expected to rebound, with shipment growth forecast to exceed 7% year-over-year.

In contrast, the consumer segment in 2024 has seen brands actively promote entry-level models to stimulate demand, with North America showing particularly strong performance. TrendForce anticipates a more stable consumer market in 2025, with brands shifting their focus back to high-value, high-margin products. As a result, consumer notebook shipment growth is expected to slow to 3%, though the product mix will be further optimized.

As for Chromebooks, 2024 has seen steady performance, driven by North American education tenders and demand from emerging markets. In 2025, Japan's GIGA School 2.0 initiative is expected to provide a boost, with shipment growth projected at 8%, maintaining a strong upward trajectory.

Market attention is also turning toward the potential impacts of former President Trump's "America First" policy, should he return to office. This includes concerns over increased import tariffs and how they might affect domestic demand in the U.S., which will depend on the actual policy implementations of the new administration. Currently, China remains the dominant manufacturing hub for global notebook production, accounting for approximately 89% of global capacity. While some original design manufacturers (ODMs) have begun shifting production to Vietnam, Thailand, India, and Mexico, building a fully integrated supply chain in these regions will take time. In addition, there will likely be a buffer period between policy announcements and enforcement. Therefore, TrendForce notes that its 2025 global notebook shipment forecast remains subject to adjustment.

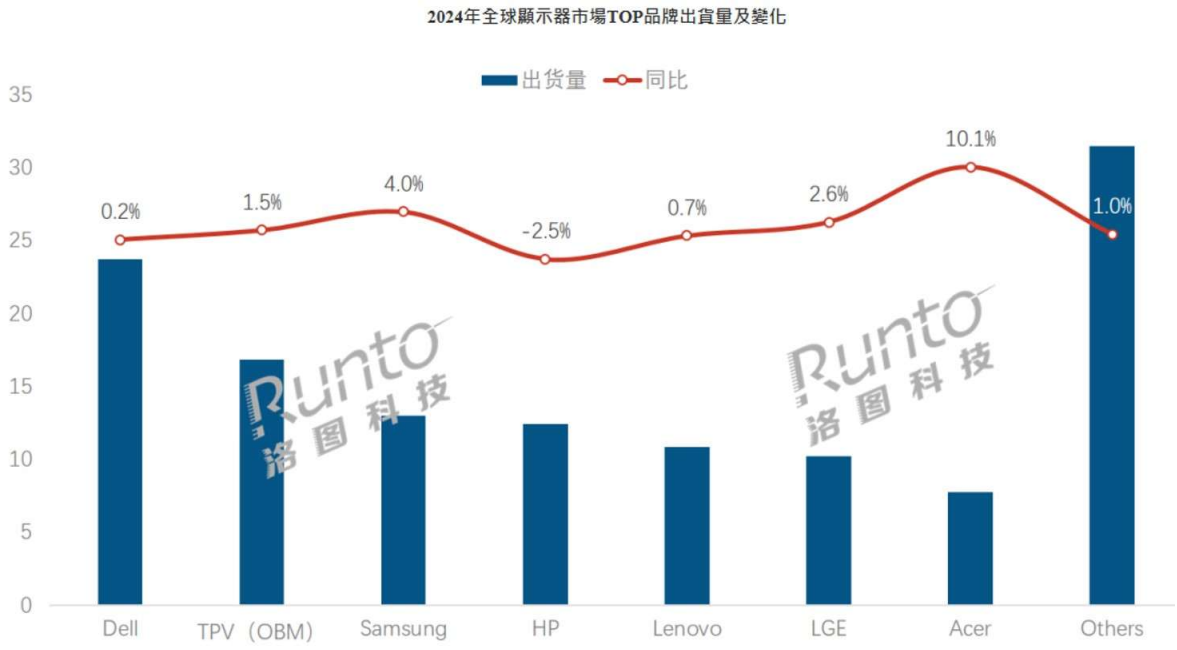
Global display shipments and growth rate changes

資料來源：洛圖科技(RUNTO)，單位：百萬台，%

According to the latest report from RUNTO Technology, global monitor brand shipments are projected to reach 127 million units in 2024, representing a 1.5% increase compared to 2023.

From a timeline perspective, the first half of 2024 saw a 2.4% year-over-year growth in global monitor shipments, continuing the recovery trend that began in the second half of 2023. This performance aligned with expectations. Notably, commercial demand in the European and North American markets showed clear improvement, contributing to the overall market stability. In addition, major international events such as the Esports World Cup helped boost the total market volume.

In the second half of the year, overseas markets began to show signs of weakening, with a 2% decline in shipments. Fortunately, China's consumer (C-end) demand showed strong momentum. Driven by the popularity of the game Black Myth: Wukong and supportive government subsidy policies, gaming monitor demand surged by 41%, propelling a 13% growth in the overall Chinese monitor market. While overseas markets cooled, the strength of the Chinese market helped offset the decline, resulting in a global market growth rate of 0.6% in the second half—lower than that of the first half.



資料來源：洛圖科技(RUNTO)，單位：百萬台，%

The global monitor industry has entered a relatively stable development cycle. Even during periods of broader market volatility, the shipment fluctuations among top brands remain within a narrow margin of around ±3%.

In 2024, Dell ranked first in global monitor shipments with 23.7 million units, reflecting a slight year-over-year increase of 0.2%. TPV OBM (AOC/Philips Group) followed in second place with nearly 17 million units shipped. Due to its large shipment base in 2023, its growth was moderate, with a 1.5% increase. AOC, TPV's leading brand, performed exceptionally well in the gaming segment, particularly in the Chinese market.Samsung, HP, Lenovo, and LG followed in the rankings, each shipping over 10 million units, with annual growth rates ranging from 0.7% to 4.0%. Acer stood out with shipments nearing 8 million units, capturing a 6.2% market share and achieving a 10.1% year-over-year growth—the highest among the top brands. Acer's relatively "light" brand burden enabled more agile market strategies, and the company responded swiftly to the market transition from 60/75Hz to 100Hz refresh rates.

Looking ahead, traditional powerhouses such as Dell and HP are expected to focus more of their strategic resources on overseas markets.

Overall, the monitor category remains one of the most fiercely competitive segments among mainstream display products in terms of pricing. From a competitive standpoint, future winners in the price wars will either be brands with strong first-mover advantages and robust channel strategies, or those with superior supply chain management capabilities—or even those capable of self-supplying key components. At this stage, Chinese brands hold particular strength in the latter areas, demonstrating strong competitiveness and strategic awareness. Meanwhile, brands with high global recognition and consumer loyalty will also emerge as key players.

Looking into 2025, RUNTO forecasts that the global monitor market will be reinvigorated by the widespread adoption of high refresh rates, Mini LED, OLED, and other advanced display technologies, along with supportive regional policies. Global monitor shipments are expected to continue on a stable growth path, reaching 129 million units in 2025, reflecting an approximate 2.0% year-over-year increase.

Changes in shipments and growth rates of the world's top five PC brands

2024 Q4 Global Top Five PC Shipments, Market Share and Annual Growth Rate

Top 5 Companies, Worldwide Traditional PC Shipments, Market Share, and Year-Over-Year Growth, Q4 2024 (Preliminary results, shipments are in millions of units)

Company	4Q24 Shipments	4Q24 Market Share	4Q23 Shipments	4Q23 Market Share	4Q24/4Q23 Growth
1. Lenovo	16.9	24.5%	16.1	23.8%	4.8%
2. HP Inc	13.7	19.9%	14.0	20.6%	-1.7%
3. Dell Technologies	9.9	14.4%	9.9	14.6%	-0.2%
4. Apple	7.0	10.1%	5.9	8.8%	17.3%
5. ASUS	4.7	6.9%	4.2	6.3%	11.7%
Others	16.7	24.2%	17.5	25.9%	-4.8%
Total	**68.9**	**100.0%**	**67.7**	**100.0%**	**1.8%**

Source: IDC Quarterly Personal Computing Device Tracker, January 9, 2024

2024 Global Top Five PC Shipments, Market Share and Annual Growth Rate

Top 5 Companies, Worldwide Traditional PC Shipments, Market Share, and Year-Over-Year Growth, 2024 vs. 2023 (Preliminary results, shipments are in millions of units)

Company	2024 Shipments	2024 Market Share	2023 Shipments	2023 Market Share	2024/2023 Growth
1. Lenovo	61.8	23.5%	59.1	22.7%	4.7%
2. HP Inc.	53.0	20.2%	52.9	20.3%	0.1%
3. Dell Technologies	39.1	14.9%	40.0	15.4%	-2.2%
4. Apple	22.9	8.7%	21.9	8.4%	4.5%
5. Asus	17.9	6.8%	16.8	6.5%	6.4%
Others	68.0	25.9%	69.5	26.7%	-2.1%
Total	**262.7**	**100.0%**	**260.2**	**100.0%**	**1.0%**

Source: IDC Quarterly Personal Computing Device Tracker, January 9, 2024

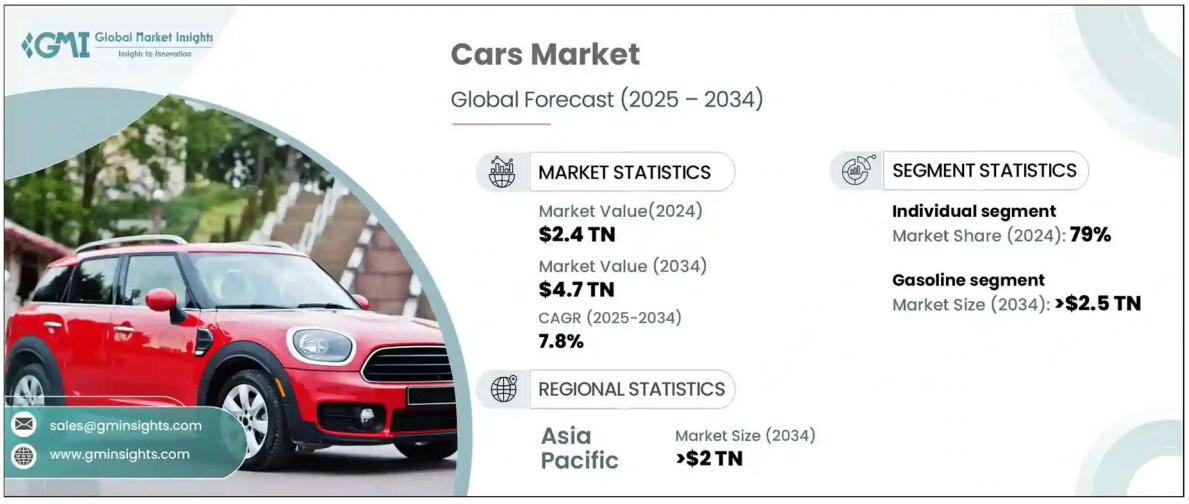
According to the latest report from IDC, global PC shipments in Q4 2024 reached 68.9 million units, marking a 1.8% year-over-year increase compared to Q4 2023. For the full year of 2024, total PC shipments reached 262.7 million units, reflecting a 1% annual growth.Looking ahead to 2025, the PC industry faces a mix of headwinds and tailwinds, making the market outlook uncertain and complicating demand planning.

Jitesh Ubrani, Research Manager for IDC's Worldwide Mobile Device Trackers, stated:"While the pace of market recovery remains slow, Q4 still saw growth, largely driven by better-than-expected consumer performance in China due to government subsidies. Additionally, the U.S. and several European countries experienced strong demand, boosted by year-end promotional campaigns and enterprise hardware upgrades ahead of Windows 10 end-of-support in October 2025."

With a U.S. administration change on the horizon and the potential introduction of new tariffs—or increases to existing ones—the industry has grown increasingly cautious. Some brands are proactively preparing for these inherently uncertain developments. Supply-side research indicates a noticeable uptick in pull-in orders during December 2024, primarily from brands with limited manufacturing capacity outside of China. This move is seen as a precaution against potential tariffs on China-made goods. However, the scale of this shift remains relatively modest for now.

Ryan Reith, Group Vice President of IDC’s Worldwide Device Trackers, commented:"Concerns over the global economy appear to be overshadowing some of the progress and excitement around AI PCs. Nonetheless, IDC maintains that, even if the inflection point is delayed, AI on devices will ultimately have a positive impact on the industry."He added, "Trying to push higher-cost, next-generation AI PCs at a time when use cases are still being validated and budgets are tight is clearly a challenge. However, the integration of AI into PCs is inevitable. For now, vendors are adopting a wait-and-see approach, as many of their customers face obstacles unrelated to these technological advancements."

Changes in global automobile shipments and growth rates

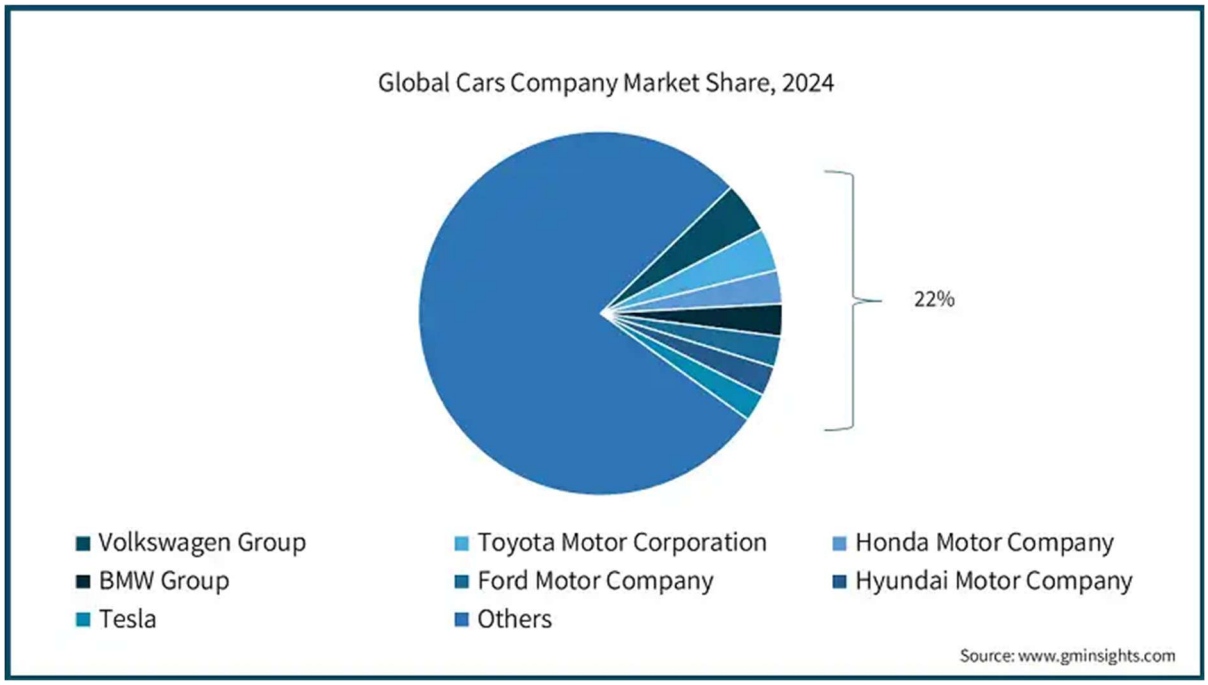


The global automotive market is valued at USD 2.4 trillion in 2024 and is projected to reach USD 4.7 trillion by 2034, growing at a compound annual growth rate (CAGR) of 7.8% from 2025 to 2034. As urban areas continue to expand, the demand for personal transportation is increasing. Longer commuting distances and a growing need for convenient mobility solutions are driving the growth of automobile sales. Urban environments demand vehicles that are flexible, capable of navigating crowded streets,

and comfortable—making automobiles the preferred mode of transportation in rapidly growing cities worldwide.

On the other hand, rising disposable income is also transforming the automotive market. With enhanced purchasing power, consumers find it easier to afford high-value goods such as vehicles. This change further drives market demand, as consumers place greater emphasis on convenience, comfort, and personal status associated with car ownership. Higher disposable income enables buyers to consider a wider range of options, including luxury models and premium features, which further fuels the market's growth and diversification.

According to available data, the Asia Pacific region is expected to surpass USD 2 trillion in market size by 2034, driven by strong economic development and a thriving automotive industry. Within market segments, the individual passenger car segment continues to dominate, reflecting a strong consumer preference for private transportation—it accounted for 79% of the market in 2024. Meanwhile, the sustained growth of the gasoline-powered vehicle segment indicates that traditional powertrains will continue to meet steady market demand, with projections showing this segment exceeding USD 2.5 trillion by 2034. Against this backdrop, continued expansion of the automotive market is expected to drive development in related industries, including smart transportation, electric vehicle (EV) technologies, and autonomous driving systems—ushering in a new phase of growth for the global automotive industry.



In 2024, Volkswagen Group, Toyota Motor Corporation, and Honda Motor Company collectively accounted for over 11% of the global automotive market share. These companies are actively advancing new energy and smart technologies, while enhancing their market competitiveness through strategic partnerships and regional expansion.

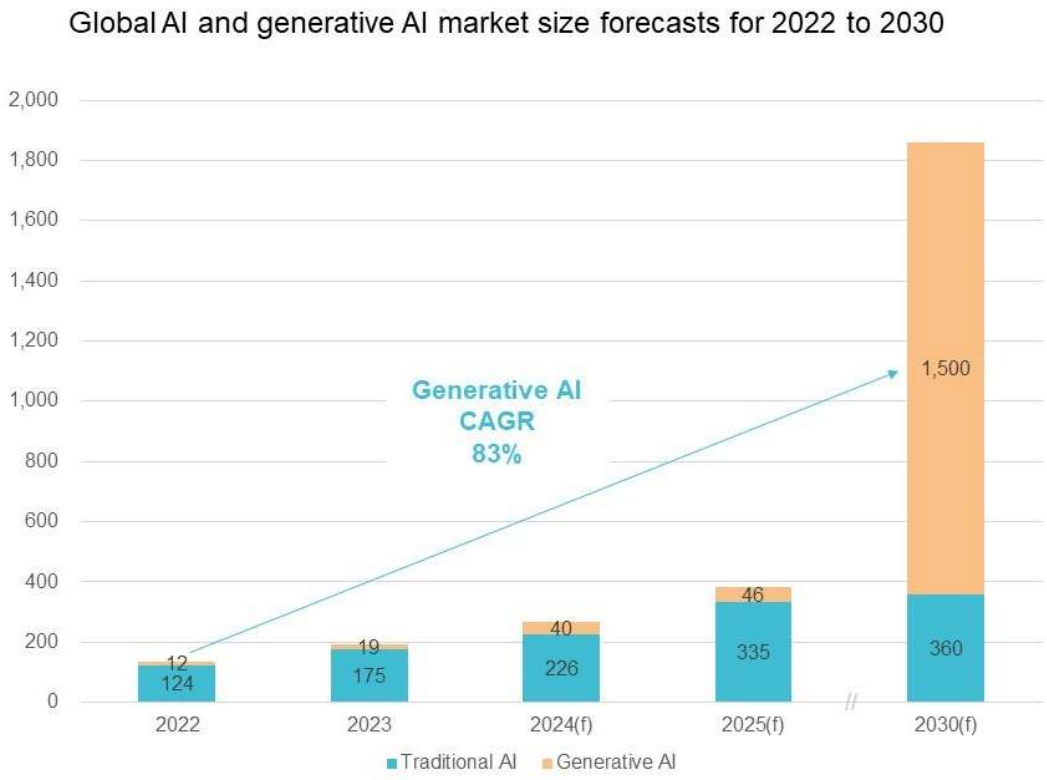
Volkswagen Group is aggressively expanding its ID series of electric vehicles (EVs) and strengthening its position in the new energy vehicle market through significant investments in battery technology and sustainable production processes. The company is also accelerating its digital transformation, focusing on advanced driver assistance systems (ADAS) and innovative in-vehicle software. To expand its global presence, Volkswagen is strengthening its market position in China and the United States by

engaging in strategic collaborations and localized production, aiming to offer more competitive pricing and meet the needs of local consumers.

Toyota Motor Corporation is currently prioritizing hybrid and hydrogen fuel cell technologies while gradually expanding its EV lineup. In order to improve operational efficiency and reduce production costs, Toyota is optimizing its Toyota New Global Architecture (TNGA) platform. Additionally, the company is heavily investing in intelligent connectivity and autonomous driving technologies, and is partnering with tech companies to promote the development of Mobility-as-a-Service (MaaS). Its robust global supply chain enables Toyota to maintain a leading position across diverse markets.

Honda Motor Company is committed to achieving carbon neutrality by 2050 and is steadily expanding its electric and hybrid vehicle offerings. The company is accelerating R&D in solid-state battery technology and autonomous driving systems. It is also collaborating with General Motors to co-develop affordable electric vehicles. Honda continues to leverage its strong brand presence in North America and Asia to drive market growth and is prioritizing the integration of advanced safety features across its entire lineup to enhance vehicle safety and competitiveness.

AI global market size



Source : Compiled by DIGITIMES Research, August 2024

According to the latest special report from DIGITIMES, the generative AI market is growing at an astonishing pace. The report predicts that by 2024, the global generative AI market size will reach USD 40 billion, and by 2030, this figure will soar to USD 1.5 trillion, with an annual growth rate of 83%. This suggests that generative AI will not only be a passing trend, but a core component of future technology.

The applications of generative AI are expanding across a variety of fields, from text and images to music. However, as AI technology gradually shifts from the cloud to edge computing, hardware limitations and model development issues are beginning to surface. Analysts note that the future development of edge AI chips will focus on enhancing

specialization in specific fields and strengthening the integration of software and hardware to meet the needs of low-power, high-efficiency applications.

Analysts further explain that as edge AI moves toward real-world applications, it will face four key challenges: miniaturization, adaptability, scalability, and cost-effectiveness. In addition to developing various hardware, integrating development platforms and deepening vertical applications will be crucial for establishing a strong foothold in the edge AI field.

In the next five years, the share of AI-related software and services is expected to grow significantly. By 2030, software and services are expected to account for 32% and 55% of the overall market, respectively. This indicates that the growth of generative AI software and services will be a key driver for market expansion.

2. Industry Upstream, Midstream, and Downstream Linkages:

The connector industry is constructed from the upstream raw materials industry, the midstream connector manufacturing industry, and the downstream application industries. Upstream pertains to raw material industries, accounting for about 60% of manufacturing costs, with metal materials being the most consumed followed by plastics, and finally, electroplating materials. Midstream connector manufacturers primarily focus on design, assembly, and manufacturing. The downstream connector aspect broadly encompasses industries such as automotive, computers, telecommunications, industrial, military aerospace, transportation, and medical.

3. Trends in Product Development:

Connectors belong to a technology-intensive industry and are highly related to the development of today's high-tech application markets. Current electronic application technologies tend towards multifunctionality, miniaturization, and built-in intelligence, which also require connector manufacturers to adapt their industrial patterns and positioning from this perspective.

4. Competitive Landscape:

Industry	Major manufacturers and competitors in the same industry
Power cords	Linetek Electronic, Longwell, Wonderful Wire,Sunf Pu Technology,
FFC	HIGH-TEK, HUA LI, CviLux Corporation
Electronic transmission line	HIGH-TEK, HUA LI, Hotron Precision Electronic Industrial

(III) Technology and R&D overview

1. Recent annual and up to the date of the annual report, the invested research and development expenses:

Unit: NT$ thousand; %

Item \ Year	2024	As of March 31, 2025
R&D expenses	80,526	23,516
Operating income	1,152,170	231,385
R&D expenses as a percentage of operating income	6.99%	10.16%

2. Technologies or products developed successfully:

(1) Development of new products has improved yield rates and OEM production shipments.

A. Production of high-bandwidth cables such as Type C and USB 4.1 is carried out using semi-automated momentum production.

With the continuous improvement of CPU computing performance in electronic products, data transmission speeds between devices and modules have also increased significantly. At the same time, advancements in display technology have driven higher video bandwidth demands, making traditional cables increasingly inadequate for these changes. Under the promotion of EU regulations, charging and transmission interfaces for handheld devices are gradually being standardized. With the support of Apple, Intel, and the USB Implementers Forum, Type-C and USB 3.1 cables have become standard configurations for electronic products. However, this new generation of cables must possess high current-carrying capacity, high-bandwidth transmission, low loss, and low reflection characteristics, posing a significant challenge for cable manufacturers.

Leveraging years of accumulated expertise in cable technology and long-standing trusted partnerships with major clients, Ji-Haw has successfully developed cables that meet the USB 4.1 specification. Its Type-C products have also undergone multiple optimizations to simplify design and reduce costs, while obtaining certifications from relevant associations. As the pandemic accelerated industrial automation, Jin Hao has continuously advanced its manufacturing technologies. The main production processes have gradually achieved automation, significantly improving product quality and production efficiency, officially entering a phase of stable mass production.

B. Control Cable Assemblies for Automotive Applications and Edge Computing Transmission Cables

Electric vehicles and autonomous driving technologies have become the most prominent focuses in the automotive industry in recent years and represent the key directions for future development. To realize these technologies, real-time transmission and high reliability of edge computing data are critical, ensuring drivers can adapt to complex and dynamic road conditions while enhancing the sense of driving safety during autonomous operation. With the rise of new vehicle developers and manufacturers, the supply chain structure is gradually being reshaped, creating substantial market opportunities. However, the electrical connectivity technologies face higher thresholds due to challenges such as vibrations during driving and extreme climate conditions, demanding greater product stability and durability.

Cloud and edge computing, as the core of future business operations, place even higher demands on the stability of connectivity solutions. In response to this trend, Jin Hao actively collaborates closely with clients from the early design phase to develop suitable cable assembly solutions, ensuring efficient and stable electrical signal transmission. These efforts have successfully passed customer verifications and entered mass production.

With the rapid advancement of technology, future vehicles will integrate more intelligent features such as multimedia, positioning, safety, and health monitoring systems. Drawing on its rich experience in the electronics industry,

Jin Hao is actively involved in the development of outdoor and in-vehicle electronic products. Currently, Jin Hao has successfully provided control cable assemblies for various car models and continues to expand into more new vehicle models, further deepening its market presence.

C. Automation, robotics, and production automation 4.0 cable assemblies

With the rapid development of global industrial automation, the performance requirements for wire and cable assemblies have become increasingly stringent. These include characteristics such as wear resistance, high-temperature resistance, oil resistance, weather resistance, and electromagnetic interference (EMI) shielding. As different application scenarios demand varying specifications for cables, Jin Hao has gradually adopted a small-batch, diversified production model to meet the growing demand for product customization and to ensure stable supply and adaptability across diverse markets.

D. Type-C adapter for various interface connectors and active cable assemblies, continuously updated and improved

In the future, the Type-C universal interface is expected to become the standard port for most devices. As device designs continue to become more compact, many devices are now equipped solely with Type-C connectors. Therefore, connections to other peripherals or devices require the use of dongles and dedicated cable assemblies. Jin Hao has actively invested in the development of this field and is collaborating with internationally renowned IC design companies to bring products to market. Currently, multiple dongle products are being co-developed with several branded clients. As hardware and software technologies continue to advance, such products require ongoing firmware optimization and corresponding upgrades to meet the demands of higher transmission speeds and evolving market needs, paving the way for the next generation of devices and related applications.

E. (Electronic assembly processing and small finished products) - Components for electronic products, edge computing, and the Internet of Things

With the development of edge computing and IoT technologies, related electronic products are expected to become increasingly widespread and emerge as market mainstream. Among these, smart monitoring of electrical equipment will be one of the first to transform people's lifestyles, influencing consumption and entertainment habits. In response, the company is collaborating with external technical teams while also independently developing and optimizing innovative products that support these devices. Furthermore, building our own brand is a key strategic goal. In the electronics industry, brand channels not only enhance market competitiveness but also serve as a vital source of stable profits, driving sustained growth for future technological and consumer electronic products.

(2) Process and product improvement

A. Enhance the application capabilities of information tools to instantly improve efficiency, safety, and yield rates

The core of management lies in ensuring the timeliness and accuracy of information. Since the outbreak of the pandemic, the global landscape has undergone dramatic changes, with mobility restrictions bringing the importance of information to an unprecedented level. In this context,

information management systems have become critical, acting as the central nervous system of company operations—responsible for collecting, integrating, and analyzing all data related to production, sales, and inventory. This not only helps eliminate judgmental bias caused by human error or intentional misinformation but also enables us to swiftly adjust strategies and enhance both efficiency and accuracy.Through continuous review and optimization, we are now able to instantly analyze key metrics such as efficiency, yield rate, timeliness, loss, and cost, allowing for rapid responses and the issuance of management directives in the face of internal and external changes. Our information system also supports overseas branches in improving operational efficiency and ensures reliable delivery commitments to customers, bringing substantial benefits to both parties and further demonstrating our high standards in management and service.

B. Utilizing ERP techniques to improve processes—efficiency and rationality of materials, production, and inventory

In the highly competitive field of electronic manufacturing, market-driven price reductions pose constant challenges to corporate profitability each year. To achieve profit targets, we must utilize resources with greater efficiency. To this end, we have adopted advanced computerized data management systems and industrial engineering methods such as the Theory of Constraints (TOC) to thoroughly examine and improve bottlenecks within our processes. By precisely adjusting timing gaps and motion bottlenecks on the production line, and by promoting automation and semi-automation in our processes, we are able to meet the Just-In-Time (JIT) requirements of world-class manufacturers. Additionally, in-depth analysis of production and sales data allows us to effectively improve finished goods inventory levels, reduce material input errors, and enhance overall production efficiency, thereby mitigating the pressure caused by fluctuations in customer demand.

C. Reasonable automation and semi-automatic modules have been quickly and cost-effectively introduced into production.

The COVID-19 pandemic and labor shortages have posed significant challenges to our production environment. In response, we have established phased goals to gradually transition from semi-automation to full automation, while continuously enhancing the skills and technical capabilities of our workforce to ensure smooth production processes. Looking ahead, full automation will be a key driver of our competitive advantage.

To reduce the impact of human operation on product quality, we have introduced modular production methods and continuously adjusted our molds. These efforts are complemented by the integration of high-precision automated inspection and judgment systems, which have significantly improved product yield and production efficiency. This transformation marks a crucial step in our journey from semi-automation toward full automation. Moving forward, we will continue to invest in the development of automated process equipment to comprehensively enhance efficiency and quality throughout the manufacturing process.

D. High-frequency testing equipment for wire has been introduced and updated, and production equipment has been put into mass production.

With breakthroughs and advancements in display technology, the

requirements for transmission cables have become increasingly stringent. These cables must feature high transmission speed, low signal reflection, low crosstalk, and low impedance. To meet customer demands for high-performance cable products, we have decided to increase our investment by introducing high-frequency cable testing equipment.

These advanced testing systems are capable of effectively evaluating various types of cables, including Type-C, HDMI, USB, and hybrid optical cables, ensuring that their high-frequency characteristics meet design specifications. Through early-stage testing and validation, we are able to identify and resolve issues in design and manufacturing processes in a timely manner, thereby enhancing product quality and stability. Following the testing and improvement of our production equipment, we will consider further investment in new machinery to advance toward mass production, ensuring that our products achieve outstanding quality and performance standards in the market.

(IV) Long-Term and Short-Term Business Development Plans

In response to geopolitical factors, industry development trends, and significant changes in both domestic and international business environments, the company uses various long-term and short-term plans to adjust its corporate structure and enhance overall competitiveness. Here is a summary of the company's long-term and short-term plans:

1. Short-Term Development

(1) Product Marketing:

A. In 2024, the global electronic components industry has gradually begun to recover. With increasing demand for applications such as AI, high-speed computing, and cloud servers, the market is showing signs of revival. However, companies must accurately grasp market changes to reduce inventory risk and improve production efficiency. In response, Jinhao will continue to collect and analyze major customers' market trends and sales data, actively seek new product opportunities, and avoid inventory build-up caused by forecasting errors.

B. Strengthen customer relationship management and deepen cooperation with existing clients. Through collaborative development models, secure opportunities for the introduction of new projects and maintain a competitive edge in the market.

C. Expand business reach by hiring professional sales personnel for new markets, diversifying the customer portfolio to reduce risks brought about by external environmental changes.

D. Stay ahead of market trends by closely monitoring industry developments and collaborating with leading clients to develop next-generation products, such as Active Optical Cables (AOC, HDMI), SFP, Embedded Optical Modules (EOM), and semiconductor-related applications.

E. Enhance profit management by optimizing production capacity utilization to reduce inventory accumulation and improve resource efficiency.

(2) Production Strategy

A. Regional production layout: In response to the changes in the US-China trade situation, global decentralized production has become an inevitable trend.

Southeast Asia has emerged as the preferred region, and the production base in Thailand will continue to expand its capacity.

B. Strengthen supply chain management: Enhance external resource integration capabilities by selecting and training appropriate suppliers to ensure timely supply and stable quality. Additionally, optimize material turnover efficiency by leveraging outsourcing and local partner processing resources.

C. Enhance production logistics capabilities: Strengthen capacity forecasting and control mechanisms to effectively reduce in-process products and transportation costs.

D. Establish a professional engineering team: Improve sample production processes and product quality, and closely collaborate with customers from the design stage to participate in product development discussions. Furthermore, drive continuous process optimization projects through IE operations improvement and the introduction of automated production.

E. Optimize information system applications: Implement a management information system to improve material management efficiency, reduce inventory accumulation, and establish an inventory level warning mechanism for real-time adjustments.

F. Continuously optimize production equipment and fixtures: Improve process accuracy and production efficiency to ensure stable product quality.

(3) Research and development

A. Master industry technological changes, stay aligned with the development trends of connectivity technologies, and actively invest in the R&D of USB 4.1 Type cables, e-DP, Type-C cables, optical fiber cable modules, and solar bridging/connection technologies.

B. Integrate R&D resources and collaborate with external R&D units to jointly develop new markets such as medical biotechnology, environmental recycling, solar energy, automotive electronics, and 3D applications, thereby expanding technological layout.

C. Closely track changes in environmental regulations, understand the development trends of eco-friendly materials and processes, and introduce green processes at the right time to meet market demands.

D. Continuously evaluate emerging market demands in the energy industry, industrial applications, automotive electronics, and medical industries, and develop new products accordingly while expanding business applications.

E. Expand the biotechnology application field by introducing medical and agricultural biotechnology-related materials and processing technologies. Utilize precision manufacturing techniques to enter new markets and enhance competitiveness.

(4) Management

A. Strengthen the information management system, integrate the management structure, improve production efficiency, quality control, time management, and cost control, ensuring the timeliness and accuracy of operational decision-making.

B. Strengthen talent development strategies, actively recruit outstanding management talents to enhance organizational competitiveness; for overseas

factories, promote localization operations to reduce expatriate labor costs and increase local employees' sense of identity and stability.

2. Long-Term Development

(1) Product Marketing:

A. Focus on high-precision, high-speed optical communication products, monitor trends in servers, the automotive industry, industrial applications, the energy sector, and the communications market. Collaborate with customers to develop products that meet cloud computing demands, while exploring applications of optical communication technology in consumer electronics, automotive, and medical fields.

B. Establish bonded/free trade warehouses and even small-scale reprocessing factories in strategic regions based on customer needs, to shorten delivery times and enhance service efficiency.

C. Actively participate in industry events and integrate external resources through exhibitions and seminars to explore new market opportunities in AI, medical biotechnology, solar energy, 3D printing, and environmental recycling.

D. Extend the product line into the fields of new energy and electric vehicles to create more application opportunities and deepen market penetration.

(2) Production policy

A. Strengthen the global service network by planning the establishment of offices worldwide to provide real-time technical and business support, thereby enhancing customer satisfaction.

B. Expand manufacturing capacity by introducing PCBA SMT/DIP processes and integrating mechanical component assembly technologies to tap into future opportunities in the assembly and repair markets.

C. Enhance the application of automation technologies by continuously promoting production automation to reduce reliance on manual labor, and improve the manufacturing competitiveness of high-end products through precision machining techniques.

D. Continue to focus on environmentally friendly recycling and biotechnology application equipment, evaluating their adoption in production to enhance sustainable competitiveness.

(3) Research and Development Strategy

A. Develop high-speed transmission technology by planning high-precision wire drawing equipment and processing techniques for future high-speed, low-loss, and low-reflection cable products, to meet the high-bandwidth transmission requirements of standards such as Thunderbolt and Type-C.

B. Integrate external R&D resources and collaborate with technology partners to jointly develop the next generation of cable harness products, aiming to secure a leading position in the market.

(4) Management

A. Enhance market intelligence analysis capabilities by strengthening the collection and analysis of market data, and establishing collaborative mechanisms with project management teams that work with external resources to evaluate and introduce potential business opportunities, ensuring competitive advantage.

B. Improve decision-making efficiency through digital management by strengthening business management systems to ensure real-time information delivery to management, and enhance operational efficiency through the digitalization of processes and forms.

C. Optimize resource allocation by integrating outsourced resources, enhancing negotiation capabilities, and properly handling inefficient in-house equipment to improve production efficiency and capital utilization effectiveness.

(V) Sustainability Policy Statement

Ji-Haw Company will fulfill its responsibilities and judge the situation accordingly. Anyone who identifies with our philosophy is welcome to join our team. More importantly, we will adhere to the spirit of sustainable corporate development, rectifying all and standing firm!

While we pursue profit to fulfill our commitment to our shareholders, we at the same time utilize our strengths to work together with stakeholders, such as employees, customers, partners and the public for sustainability. Our remarkable and stable employees are our largest assets. Ji-Haw will provide a safer and more comfortable workplace and an all-inclusive welfare system for our employees to contribute their expertise freely.

In terms of employee management, we strictly implement the “Electronics Industry Citizenship Coalition” (EICC). As a supplier to the world’s major wire and cable companies, we keep a close relationship with all customers to strive to meet or exceed their standards. At Ji-Haw, we have implemented a number of employee physical and mental care programs, including employee annual health examination, domestic and overseas trips, social gatherings, and pension contributions. We also provide internal and external training, which our employees can participate in freely.

To implement the goals of sustainable corporate development and management, the company established a Sustainability Committee on January 30, 2024, as approved by the Board of Directors. This committee is responsible for making decisions and overseeing the company’s sustainability initiatives, covering three main areas: Environment (E), Social (S), and Governance (G). This ensures the Board can fulfill its duties to protect the interests of the company, employees, shareholders, and all stakeholders.

And completed the 2023 greenhouse gas inventory and sustainability report in 2024.

1. Ji-Haw Sustainability Committee Responsibilities:

   Assist the Board in continuously promoting corporate social responsibility and improving company governance to achieve sustainable management. Its responsibilities include the following:

   (1) Formulation of the sustainability policy.

   (2) Setting the annual sustainability plan and strategic direction.

   (3) Tracking and reviewing the implementation and effectiveness of sustainability initiatives and reporting to the Board.

   (4) Decisions on other sustainability-related matters.

2. Ji-Haw Sustainability Committee Members:

   Convener: En-Guo Wang , Independent Director

   Member: Hao-Ji Shi, Chairman

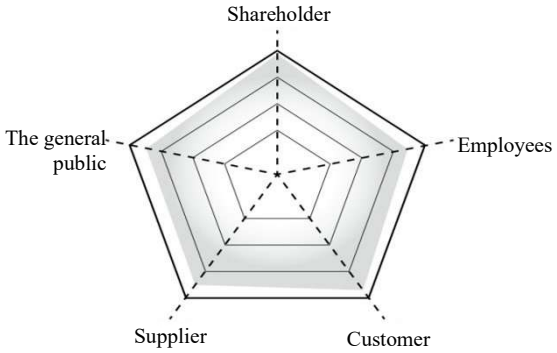
   Member: Wen-Wei Chen , Deputy General Manager, General Management Office

3. Greenhouse Gas Inventory: Scope of Inventory: Ji-Haw Industrial, Co., Ltd. and JJi-Haw Opto-Electrical (Kunshan) Co., Ltd.

   Inventory Results: The total greenhouse gas emissions for the year 2023 amounted to 2,162.1827 metric tons of CO_2 equivalent (tCO_2e), and the data has been verified by a third-party organization.

4. Identifying Stakeholders:

   Based on industry characteristics and current operational status, and with reference to the principles of the AA1000 Stakeholder Engagement Standard, stakeholders were prioritized and five key stakeholder groups were identified: Shareholders, Customers, Suppliers, Employees, and Government.



5. Response to Stakeholder Concerns:

   The following outlines the action plans in response to issues of concern raised by stakeholders:

Key Issues	Short Term (~2025)	Mid Term (2026–2027)	Long Term (2028–2029)
Supply Chain Management	Comply with REACH regulations	Use recyclable packaging materials	Focus on local sourcing, reduce transport frequency
Labor Relations	Multiple channels for employee communication	Establish communication platforms	Increase transparency in incentive system
Customer Privacy	No customer data breaches reported (0 cases)	No customer data breaches reported (0 cases)	No customer data breaches reported (0 cases)
Employee Training	100 employee training sessions held	100 employee training sessions held	100 employee training sessions held
Economic Performance	Annual revenue growth	Annual revenue growth	Annual revenue growth
Occupational Health & Safety	Zero workplace injuries reported	Zero workplace injuries reported	Zero workplace injuries reported
Procurement Management	Adhere to social responsibility standards	Adhere to social responsibility standards	Adhere to social responsibility standards
Customer Health & Safety	Zero incidents reported	Zero incidents reported	Zero incidents reported
Diversity & Inclusion	Support employment opportunities for the disadvantaged	Promote gender equality in hiring	Promote diversity in hiring
Public Policy	Actively respond to public policies and disclose response reason	Proactively disclose policy responses	Proactively disclose policy responses
GHG Emissions	Implement energy-saving and carbon-reduction measures	Replace equipment and prioritize low-carbon technology	Research and install more solar power systems

6. Communication Channels:

   Ji-Haw Company specifically targets different stakeholders to collect issues they care about, which are then quickly analyzed and understood by the relevant departments. The company also responds to external environmental changes and legislative amendments through inter-departmental cooperation. This ensures that related tasks are accomplished while maintaining clear communication channels,

allowing the management team to regularly provide feedback on relevant information, which serves as a basis for the company's continuous improvement or planning.

(1) Communication channels between shareholders and Ji-Haw:

A. We hold a shareholders' meeting each year.

B. We have set up a section on the official website (http://www.jh.com.tw) dedicated to shareholders to disclose various information, news, financial information. We also have an investor relations hotline for shareholders.

C. We hold an investor conference in accordance with the regulations of the Securities and Futures Bureau to provide information on market trends, industry trends and trends associated with the entire electronics industry.

(2) Communication channels between employees and Ji-Haw Company: The company internally provides diverse and cross-departmental communication channels.

(3) Communication channels between customers and Ji-Haw:

A. With respect to customers, we have a dedicated manager to provide services. At the same time, we also collect and consult the opinions and satisfaction feedback from customers in terms of the products and services we provide via frequent visits.

B. From time to time, the Company's senior management, such as the chairman, president, or special assistant, visits customers alongside the business manager. In doing so, we facilitate direct dialogues between the customers and the Company.

(4) Communication channels between suppliers and Ji-Haw:

A. A supplier partner meeting is held from time to time inviting all suppliers. In addition to the Procurement Department, we also assign senior executives at the vice president level or above to attend the meeting. This meeting focuses on exchanging views with suppliers

B. Senior executives at the president level or above occasionally visit major suppliers to form partnerships. A strategic alliance is set up according to each professional area to share benefits.

(5) Communication channels between the public and Ji-Haw:

A. We proactively exchange views and information with various industrial and commercial organizations and leaders in society, including the Taiwan Electronic Connection Association, Taiwan Electrical and Electronic Manufacturers' Association.

B. We have a Chinese and English website (http://www.jh.com.tw) set up to truthfully disclose information to the public. Contact information of each plant is also available on website for wide communication.

7. Occupational safety and health management system ISO

(1)Ji-Haw has implemented an occupational health and safety management system and, since 2018, transitioned to and obtained ISO 45001 certification through verification by CQC. In practice, Jin Hao has established strict health and safety management policies, upholding the goal of zero injuries, zero occupational diseases, and zero accidents. These principles are integrated into the company's core values to create the best possible working environment for all employees.

(2)The Company has formulated a safety and health management policy to pursue zero injuries, zero occupational diseases, and zero accidents, creating the best work environment for all employees. Since 2018, there have been no injuries, occupational diseases and zero accidents, achieving the target.

(3)Industrial safety: A disaster prevention center has been established at the headquarters in Xindian to immediate inform each plant of any safety information on typhoons, earthquakes or serious epidemics. We also set up a task force to provide immediate disaster prevention information, and conduct response training on response personnel to strengthen the Group's disaster prevention system.

(4)Fire system management: Ensure that the safety software and hardware and management mechanism are in place. Problems must be addressed immediately in order to effectively reduce the risk of fire in each plant, including evacuation maps, notification of fire authorities, annual firefighting drills.

(5)Occupational safety education and training: 2 fire organization drills and training on the use of building lift equipment are performed each year. The topics of firefighting activities include: Firefighting knowledge education and promotion, contents of prevention program, and fire prevention measures. The Company has 10 seed members and all employees of the Company participate in the drills. Safety audits were performed in the plants and deficiencies were corrected.

8. Risk assessment and management policies for environmental, social and corporate governance issues related to the Company's operations.

The Company has established the "Sustainable Development Best Practice Principles".In terms of economic, environmental and social issues arising from operations, the Company prevents and controls possible risks in the process of business management. According to the materiality principle, the Company also conducts a risk assessment on environmental, social and corporate governance issues associated with the Company's operation. The results of a risk assessment will be used as a reference for the Company's risk management and operations strategy.

The Company shall comply with environmental-related laws and regulations and applicable international standards to adequately protect the natural environmental. Moreover, the Company shall be committed to achieving the objective of environmental sustainability when carrying out business activities and internal management.

Additionally, it is appropriate to establish an environmental management system suitable for the company's industry characteristics. The Company's environmental management system, which shall include the following items:

(1) Collect and evaluate adequate and timely information on the impact of operating activities on the natural environment.

(2) Establish measurable objectives for environmental sustainability and regularly review the sustainability and relevance of the development of the goals.

(3) Formulate measures including concrete plans or action plans and periodically review their effectiveness.

II. Market as well as the production and marketing situation

(I) Market analysis

1. Sales regions of the Company's main products:

Unit: NT$ thousand; %

Sales area		2023		2024	
		Sales amount	%	Sales amount	%
Export Sales	Asia	1,063,594	92.43	997,305	86.55
	Americas	415	0.03	6,770	0.59
	Europe	48,981	4.26	33,034	2.87
Subtotal		1,112,990	96.72	1,037,109	90.01
Domestic Sales		37,699	3.28	115,061	9.99
Total		1,150,689	100.00	1,152,170	100.00

2. Market share:

Due to the fact that there are no specific market statistics for electronic cables and connectors, only the total market value of the cable industry and the approximate share of the major competitors are analyzed, as follows:

Industry	Major manufacturers and competitors in the same industry
Power cords	Linetek Electronic, Longwell, Wonderful Wire,Sunf Pu Technology,
FFC	HIGH-TEK, HUA LI, CviLux Corporation
Electronic transmission line	HIGH-TEK, HUA LI, Hotron Precision Electronic Industrial

According to market research data, the global wire harness processing market has a total output value of approximately USD 60 billion, with our company accounting for about 0.1% to 0.2% of the market share. Although our current share is relatively small, this also indicates vast room for development and significant growth potential. With the rapid advancement of global industries such as consumer electronics, electric vehicles, telecommunications equipment, and industrial automation, the demand for high-quality, high-performance cable assemblies is expected to continue rising, bringing substantial business opportunities for our company.

3. Future Market Supply and Demand, and Growth Potential:

The cables produced by our company are primarily used in computers and peripheral devices, communication equipment, information appliances, industrial control systems, and automotive-related products. Due to continuous technological innovation and market expansion in these application areas, the demand for cable products has shown a steady upward trend. Below is a detailed analysis of future market demand trends based on major application industries:

(1) 3C High-Frequency Products, the Type-C interface has become the market mainstream. The trend toward thinner and lighter laptops has led to a reduction in port slots. Additionally, the global pandemic has changed lifestyles, making remote conferencing and working from home more common, which has further driven demand for laptops and tablets. As the adoption rate of Type-C is expected to increase significantly, its advantages—such as faster transmission speeds, higher data transfer capacity, and broader application scenarios—have made it increasingly popular. Its capabilities in high-speed data transfer, audio-video output, and strong power support continue to boost market acceptance.

(2) Servers, Electric Vehicles, and Industrial Control Systems,With the expansion of

global data centers and the widespread adoption of cloud computing, the server market's demand for high-speed, high-bandwidth cables is rapidly increasing. Additionally, the fast rise of the electric vehicle industry has made automotive cables a key direction for transformation among connector manufacturers. Automotive connectors require high technical thresholds, long product certification times, and extended durability, making them a driving force behind the steady revenue growth in the connector industry in recent years. The development of industrial automation and smart manufacturing is also fueling demand for cables in industrial control equipment, and this market is expected to continue expanding in the future.

4. Competitive Niche:

(1) In terms of research and development innovation

The R&D team has over ten years of industry experience, with most members having served in the company for more than five years. This enables them to have a strong grasp of market trends and changes in technical specifications. The company adopts the JDVM (Joint Development and Value Management) and JDSM (Joint Development and Supplier Management) models to collaborate with clients in developing high-precision cable assembly products. Over the past decade, more than 10,000 products have been designed and developed, including network cables, HDMI 2.1 high-speed transmission cables, USB 2.0/3.0/4.0, and Type-C cables—achievements that have earned numerous recognitions in the field of R&D. In addition, the company continues to expand into optical communications, 3D technology, and the energy industry. Through external collaboration and project proposals, we actively pursue market opportunities, enhance our technical capabilities, and widen the gap with competitors.

(2) With respect to production and manufacturing

Our company places great emphasis on innovation and upgrades in production technology and continuously invests in R&D to optimize manufacturing processes, increase automation, and reduce production costs. We are equipped with advanced production machinery, including extruders, bunching machines, single twist machines, planetary stranding machines, braiding machines, wire cutting machines, winding machines, take-up machines, wire stripping machines, molding machines, stripping and crimping machines, terminal machines, automatic soldering machines, and semi-automated assembly lines. All of this equipment has been internally designed and improved to ensure product quality stability and enhance production efficiency.Additionally, we have large-scale manufacturing bases in Kunshan, China, and Thailand, and are actively expanding into the Vietnamese market. Through this global production layout, we aim to lower manufacturing costs, improve supply chain efficiency, and further strengthen our market competitiveness.

(3) With respect to business sales

Our company has gradually transitioned from an OEM model to ODM/JDM models, establishing deep collaborative relationships with our clients. Once our products are custom-developed, they are difficult for other manufacturers to replicate unless the client makes design modifications. This significantly increases the cost of switching suppliers, thereby enhancing customer loyalty. With strong capabilities in rapid development, a highly cooperative supply chain, excellent quality management, flexible delivery options, and an efficient information management system, we are able to maintain a stable customer base and achieve consistent business growth in a highly competitive market.

5. Prospects for development, favorable and unfavorable factors, and response strategies:

(1) Positive factors

A. Growing Demand for Automotive Wire Harnesses and Connectors
With the ongoing development of the global automotive industry, higher vehicle safety standards and the widespread adoption of advanced safety technologies have driven steady growth in the demand for automotive wire harnesses and connectors. The rapid adoption of electric vehicles (EVs) has further fueled the need for high-performance, highly reliable wiring and connectors. Additionally, continuous innovations in in-vehicle electronics—such as sensors, infotainment systems, and intelligent driving technologies—have expanded global demand for related products.

B. Obtaining Quality Certifications from Major International Brands
Our company and its subsidiaries have successfully obtained quality certifications from internationally renowned OEMs, demonstrating the superior quality and reliability of our products. This not only enhances our brand reputation but also ensures compliance with increasingly stringent global product standards, earning us high recognition from international markets and clients and laying a solid foundation for further business expansion.

C. Proactive Investment in Future Key Industries
Our company is investing in cutting-edge fields such as optical communications and semiconductors, which have become key drivers in sectors like automotive, industrial applications, energy, communications, mobile devices, big data, and social media. Emerging markets such as 3D technologies, AI edge computing, Industry 4.0, renewable energy, and biotechnology also present significant growth potential. Through forward-looking market strategies, we actively participate in the development of these industry value chains to secure a favorable position in future technological trends.

D. Global Operations Strategy to Reduce Production and Sales Costs
To enhance market competitiveness, our company actively promotes global supply chain integration by optimizing production and sales configurations to lower costs and improve efficiency. We have established manufacturing bases in Zhangpu, Kunshan (China), and Thailand, and have formed strong partnerships with several supply chain partners in southern China. Moving forward, we plan to expand into Vietnam by setting up new manufacturing sites to reduce labor and production costs while increasing flexibility and competitiveness across the supply chain.

E. Highly Integrated Internal and External Production Resources
Focusing on cable production, our company has built a fully vertically integrated supply chain, covering multiple processes including plastic pellet production, wire manufacturing, mold development, and plastic injection molding. We also have a mature outsourcing management mechanism that allows flexible capacity allocation, ensuring maximum production efficiency and rapid response to market changes and customer needs.

F. Advanced Management Information Systems to Enhance Operational Efficiency
We have implemented high-performance enterprise management information

systems to monitor real-time operational data and support swift decision-making by management. Through data analysis, we can identify potential issues early and adjust strategies accordingly, ensuring flexibility and competitiveness in business operations.

G. Continuous Optimization of Production Equipment and Process Technologies
The company is committed to enhancing the automation level of its production equipment and continuously improving manufacturing processes to boost product quality and efficiency. Our R&D team engages in independent development and technological innovation to optimize production equipment, meeting market demands for high-performance, cost-effective products and ensuring a leading edge in industry competition.

(2) Negative factors

A. Impact of External Economic Variables on Market Demand

Global economic conditions, affected by rising inflation and interest rate fluctuations, have led to a slowdown in consumer electronics demand, resulting in a significant decline in sales across related component industries. This exposes us to market volatility risks, requiring flexible business strategy adjustments to mitigate the effects of economic cycles.

B. Uncertainty in the Future of the PC/NB Market

Following the end of the pandemic, the demand for remote work and online education has weakened, reducing growth momentum in the PC/laptop (NB) market. Major brand manufacturers remain cautious about future market demand, posing challenges for the sales of our related component products.

C. Impact of U.S.-China Trade Issues

U.S.-China trade tensions have not only affected bilateral trade but also had a profound impact on the stability of global supply chains and industry structures. With rising tariff barriers, companies face increased cost pressures when importing raw materials and exporting products, affecting overall competitiveness. Additionally, the uncertainty in supply chains has prompted many companies to reassess the layout of their production bases, gradually shifting manufacturing to Southeast Asia or other lower-cost regions to mitigate tariff risks. On the other hand, changes in the labor market are also noteworthy—companies must accelerate the adoption of automation and robotics to reduce dependence on traditional labor while enhancing supply chain resilience and ensuring stable production operations.

D. Rising Wages and Labor Shortages in Mainland China

In recent years, wage levels in Mainland China have steadily increased, and the tightening labor market has significantly raised operating costs for businesses—particularly in labor-intensive manufacturing sectors. As the Chinese government promotes domestic demand, the country's economic growth is shifting from export-driven to domestic consumption-driven. This transition has led to a shortage of low-level manufacturing labor, causing businesses to face both recruitment challenges and rising labor costs. To cope with this dilemma, companies must improve efficiency through production automation, smart manufacturing, and supply chain restructuring, while actively seeking production bases in countries with lower labor costs, such as Vietnam and Thailand, to maintain long-term competitiveness.

E. Exchange Rate Fluctuations

Exchange rate volatility has a profound impact on the operations and

management of import-export businesses. During the U.S.-China trade war, extreme fluctuations in the currency market further increased operational risks for companies. Exchange rate changes can directly affect a company's revenue, raw material import costs, product export pricing, and overall market competitiveness. In the face of this uncertainty, businesses must establish sound risk management mechanisms, closely monitor exchange rate trends, and flexibly adjust procurement and pricing strategies to reduce the impact of currency fluctuations on operations and ensure stable development in a volatile international market.

(3) Response Strategies

To effectively respond to the rapid changes in the external environment, the company continues to enhance its technological R&D and management capabilities to ensure steady and sustainable growth. We are actively strengthening our market presence, optimizing customer relationships, driving innovation in products and manufacturing processes, and accelerating the upgrade of internal management systems to improve operational efficiency and market competitiveness.

In response to uncertainties in the labor market, we are proactively adjusting our human resource planning and flexibly utilizing external resources to meet fluctuating workforce demands during peak and off-peak seasons. At the same time, we are vigorously expanding into emerging markets—such as 3D technologies, artificial intelligence, green energy, and biotechnology—which offer high growth potential. Through this, we aim to seize the opportunities brought by industry transformation and lay a solid foundation for the company's future growth.

(II) Key Applications and Manufacturing Process of Main Products

1. Products: Our product range includes connection cables for computers, automobiles, and communication devices, covering 4G/5G cables, gaming console cables, smart home device cables, and automotive electronic cables.
2. Applications: These products are used for signal transmission in computers and peripheral devices, consumer electronics, communication products, home appliances, office equipment, and automotive electronics.
3. Production Process: We operate under OEM, ODM, and JDM models, and provide professional R&D and design services tailored to customer requirements to ensure product quality meets client standards and enhances market competitiveness.

(III) Supply Status of Main Raw Materials

Major raw materials	Supply area	Supplier
CONNECTOR	China	Guanghongda, Mei Wang, Hua Chang, Yu Ding, Chuang Xing Sheng, Cheng Tai
Copper wire	China	Hua Chang,,Chuang Xing Sheng, Cheng Tai, Fen Fei,
FFC film	China	Yu Hui, Lian Xin
Plastic powder, PVC, raw materials	China	Xin Zhao Tai, Xu Zhi Xiang, Tai Su

The main raw materials of the Company are: cables, copper wires, FFC film, and PVC powder. As we have been working together for many years, the development of the relationship is good with a stable source of supply.

(IV) Names of customers accounting for more than 10% of the total purchases (sales) in any of the last two years, and the amount and proportion of purchases (sales):

1. Information on major suppliers in the last 2 years:

Unit: NT$ thousand; %

Item	2023				2024				Up to the first quarter of 2025			
	Name	Amount	As a percentage to annual net procurement (%)	Relationship with the issuer	Name	Amount	As a percentage to annual net procurement (%)	Relationship with the issuer	Name	Amount	As a percentage to net procurement for the year up to the previous quarter (%)	Relationship with the issuer
1	GHDDZ	127,068	17.95	None	GHDDZ	156,918	19.49	None	GHDDZ	46,183	28.85	None
2	YYCXS	104,324	14.74	None	XYMW	95,349	11.84	None	XYYD	14,119	8.82	None
3	DGHC	70,940	10.02	None	DGHC	67,155	8.34	None	DGHC	12,184	7.61	**None**
	其他	405,508	57.29	None	Others	485,719	60.33	None	Others	87,617	54.72	None
	Net procurement	707,840	100.00	-	Net procurement	805,141	100.00	-	Net procurement	160,103	100.00	-

Note1: A list of suppliers accounting for 10 percent or more of the company's total procurement amount and percentage of the 2 most recent fiscal years. However, if the name of the supplier is not to be disclosed as stipulated in the contract, or if the counterparty is an individual and not a related party, the name of the supplier may be coded.

Note2: The changes in the Group's purchase amount and proportion from a single supplier are primarily affected by the product mix.

2. Information on major customers in the most recent two years:

Unit: NT$ thousand; %

Item	2023				2024				Up to the first quarter of 2025			
	Name	Amount	As a percentage to annual net sales (%)	Relationship with the issuer	Name	Amount	As a percentage to annual net sales (%)	Relationship with the issuer	Name	Amount	As a percentage to net sales for the year up to the previous quarter (%)	Relationship with the issuer
1	CH413	190,482	16.55	None	CH416	168,518	14.63	None	CH416	30,339	13.11	None
2	CH145	138,870	12.07	None	CH200	118,054	10.25	None	CH200	23,883	10.32	None
3	CH045	138,630	12.05	None	CH045	67,094	5.82	None	CH045	20,968	9.06	None
	Others	682,707	59.33	None	Others	798,504	69.30	None	Others	156,195	67.51	None
	Net sales	1,150,689	100.00	-	Net sales	1,152,170	100.00	-	Net sales	231,385	100.00	-

Note1: A list of customers accounting for 10 percent or more of the company's total sales amount and percentage of the 2 most recent fiscal years. However, if the name of the customer is not to be disclosed as stipulated in the contract, or if the counterparty is an individual and not a related party, the name of the customer may be coded.

Note2:The changes in the Group's sales amount and proportion to a single customer are primarily affected by market demand.

III. Number of employees, average years of service, average age, and educational background of employees in the most recent two years and up to the date of publication of the annual report:

Year		2023	2024	Up to the date of the annual report publication for the current fiscal year.
Number of employees	General employees	296	354	320
	Production personnel	247	262	267
	Total	543	616	587
Average age		39.95	38.7	37.81
Average length of service		5.73	4.7	3.76
Education distribution ratio	Doctoral Degree	1	1	2
	Master	17	29	40
	College	176	272	214
	Senior high school	93	145	139
	Below junior high school	256	169	192

IV. Disbursements for environmental protection

As of the date of publication of the annual report, the Company has not incurred any losses due to environmental pollution (including compensation payments and any penalties resulting from environmental inspections for violations of environmental protection regulations. Such information, if applicable, should include the date of disposition, disposition reference number, violated regulatory articles, content of the violation, and the disposition details). The Company affirms that its manufacturing processes do not involve environmental pollution, and in accordance with applicable regulations, there is no requirement to obtain permits for pollution control facilities or pollutant discharge. Therefore, during the most recent fiscal year and up to the date of this report, the Company has not incurred any losses or been penalized due to environmental pollution.To proactively respond to future demand for environmentally friendly and non-toxic products, the Company has established a dedicated project team to develop eco-friendly plastic materials and halogen-free materials. Significant expenditures have been allocated to environmentally friendly testing equipment and materials.

The Company has implemented ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System at its major manufacturing base in Kunshan. Corresponding countermeasures have been implemented in the following areas:

(I) Supplier Management:

Ji-Haw regards its suppliers as close collaborative partners. We believe that only by advancing together with our suppliers can we achieve mutual benefits and win-win outcomes. Ji-Haw shares its experience and resources with suppliers, inviting them into the Ji-Haw Mutual Benefit Circle to serve world-class customers with high-quality and innovative products and services. This strategy enables vertical integration across the supply chain and horizontal expansion of service capabilities through cooperation between clients and suppliers.

We believe that putting the interests of our supplier partners first ultimately benefits us as well. As such, we actively integrate suppliers into Ji-Haw's systems and culture to promote shared success. To formalize our partnerships, we have signed the following agreements with our suppliers:

1. Supplier Social Responsibility Acknowledgement.
2. Environmental Protection Agreement, which outlines strict standards for hazardous substance control and ensures compliance with RoHS, REACH, and other environmental regulations, strictly preventing harmful substances from entering Ji-Haw 's production chain.

(II) Hazardous Substance Control:

Since 2000, Ji-Haw has collaborated with major global customers to restrict the use of eight heavy metals and prohibit harmful substances. In recent years, we have fully adopted RoHS and REACH environmental regulations and extended these requirements to our upstream supply chain. We sign Declarations of Non-use of Hazardous Substances and enforce Prohibited Substance Content Surveys with our partners. As of now, 108 suppliers, accounting for 68% of our supplier base, have signed both the Social Responsibility Acknowledgement and the Environmental Agreement. We will continue to expand participation to contribute to global environmental sustainability.

(III) Recycling and Reuse:

Despite the challenges of resource recycling in labor-intensive industries, the Company remains committed. Starting from within, we aim not to compromise product value. For internal documents such as production records, operating manuals, engineering

drawings, and quality reports, we use recycled paper (second-use sheets) to initiate small but impactful recycling actions.

(IV) Greenhouse Gas Emissions Reduction:

To reduce emissions, Ji-Haw works with clients to implement localized production, significantly shortening supply chains and reducing carbon footprints through vertical and horizontal integration. At our Kunshan production base, we've installed LED lighting to replace high-energy mercury lamps, eliminating high-consumption and high-pollution lighting. We also encourage employees to use electric scooters and provide free charging stations in staff parking areas to reduce fossil fuel usage and support greenhouse gas reductions. In 2023, the total greenhouse gas emissions from our Taipei and Kunshan facilities (Categories 1–6) reached 2,162.182 metric tons of CO_2e (rounded to the third decimal place). Major sources included upstream and downstream transportation, business travel, and employee commuting. Other emissions consisted primarily of HFCs, followed by CH_4.

(V) Risks and Opportunities from Climate Change:

Ji-Haw closely monitors global climate change trends and international responses. Climate change has been designated a key risk and critical issue for sustainable corporate development. We continue to assess and manage risks while formulating adaptation and mitigation strategies, promoting carbon reduction and efficient resource use, and complying with environmental laws, customer requirements, and other relevant regulations.

Climate risks	Climate opportunities	Action plans
Unstable supply of water and electricity, impacting the production and increasing operating costs.	Improve the efficiency of water resources to reduce the impact of disasters on production.	We continuously regulate water usage and install water-saving devices, enhancing management and regular inspections to reduce per capita annual water usage.
Production is affected by typhoons, floods and droughts, resulting in financial losses and decreased revenue.	Enhance natural disaster resilience capabilities and strengthen climate resilient to reduce business interruptions and potential losses.	Establish a comprehensive water situation monitoring mechanism so that production is not affected due to water shortages or water outrages. Emergency response training to reduce losses resulting from disasters.
Rising temperatures increase electricity use, thereby increasing costs and carbon emissions.	Promote low carbon/green production to save electricity use and costs.	We also promote energy-saving measures such as turning off lights when not in use and keeping equipment off during non-operational times.
GHG emissions, carbon reduction equipment installation	Promote energy saving efficiency by recycling and reuse to save costs	Implement a paperless office by using recycled paper to print unimportant documents

V. Labor relations

(I) The Company's various welfare measures, continuing education, training, retirement systems and their implementation, as well as the status of agreements between labor and management, and various measures to protect the rights and interests of employees:

1. Employee Benefits:

(1) Employees are entitled to labor insurance, national health insurance, and group insurance for overseas staff.

(2) An Employee Welfare Committee has been established to organize recreational activities, leisure events, birthday celebrations, group meals, holiday gifts, and

subsidies for domestic and international travel.

(3) Flexible working hours are implemented.

(4) Regular employee health check-ups are provided.

(5) Benefits such as hospitalization consolation payments, wedding cash gifts, funeral condolence payments (including for dependents), holiday bonuses (for Labor Day, Mid-Autumn Festival, and Dragon Boat Festival), and year-end bonuses are offered.

(6) Policies for the application of company vehicles and subsidies for private vehicle usage for business purposes are in place.

(7) Free parking spaces are available for employees.

(8) Year-end party events are organized.

2. Employee Training and Development:

The Company arranges education and training courses to encourage employees to continue to learn while at work.

(1) Supervisors provide on-the-job training opportunities during meetings and interviews.

(2) The Company shall organize its own education and training or participate in education and training organized by other units.

(3) Elective training courses offered by colleges and universities.

(4) Participate in the educational training organized by domestic training units.

(5) Participated in domestic inspections.

(6) Sending employees abroad for training or study tours.

3. Retirement system and its implementation:

In accordance with the provisions stipulated in the Labor Standards Act, 5.8% of employees' monthly wages is set aside as pension reserve to be deposited in a special account at the Central Trust of China. We also contribute to employees' pension as required by the provisions stipulated in the Labor Standards Act. From July 1, 2005, the Company contributes 6% of the wages of the employees opting for the pension system of the Labor Pension Act to their personal pension account at the Bureau of Labor Insurance.

(II) Recent Fiscal Year and as of the Date of the Annual Report Publication, Losses Incurred Due to Labor Disputes (This includes results of labor inspections indicating violations of the Labor Standards Act. The details such as the date of disposition, disposition number, violated regulation articles, content of the violation, and the disposition itself should be clearly stated. Additionally, disclose the estimated amounts of potential future occurrences and the corresponding response measures). If it is not possible to reasonably estimate these amounts, an explanation of why they cannot be reasonably estimated should be provided.

In 2024 and 2025 as of the date of publication of the annual report, the Company did not suffer losses due to labor disputes.

VI. Information security management

(I) The Company's information communication security risk management framework, information communication security policy, specific management plan, and resources invested in information communication security management are as follows:

Risk item	Corresponding measures
Information security management	The company is actively collecting relevant data and participating in information security training programs. Based on the operational circumstances of the enterprise, the company will establish an "Information Security Management Procedure" and related operational rules that are appropriate for the industry's development and are compliant with legal and regulatory standards.
Personal information security maintenance	Currently, the company operates on a B2B model and does not transact with individual natural person customers. Therefore, the company is formulating an internal "Personal Data Security Management Procedure" to strictly manage the use and security of internal data.
Information risk control measure Information backup and redundancy	The Company built its own computer room. Regular backups are made on a second local device and off-site backups are stored in a bank safe deposit box located 2 kilometers away from the company.
Information service disruption	In the event of human, non-human, or natural disasters that threaten the company's information systems, a disaster recovery plan can be quickly implemented to restore system operations and minimize losses due to operational disruptions.
Other information security risks	The company has established an internal firewall and has further signed a cybersecurity protection blocking service contract with Chunghwa Telecom. Cybersecurity protections and interceptions are implemented from the network source to comprehensively reduce cybersecurity risks.

(II) For the most recent fiscal year and up to the date of the annual report publication, the losses incurred, potential impacts, and measures taken due to significant information security incidents: In the year 2024, there were no events that jeopardized the company's information security.

VII. Important contracts: None.

Five. Review and Analysis of Financial Position and Financial Performance, and Risks

I. Financial Position

The main reasons for the material changes in assets, liabilities and equity in the most recent two years and the impact, if significant, plans to respond in the future:

Unit: NT$ thousand

Item \ Year (Note 1)	2024	2023 (Note 2)	Increase (decrease) amount	Ratio of change (%)
Current assets	1,015,465	982,993	32,472	3%
Long-term investment	238,273	29,843	208,430	698%
Property, Plant and Equipment	299,525	297,446	2,079	1%
Right-of-Use Assets	109,777	51,961	57,816	111%
Investment Property	1,104,288	585,045	519,243	89%
Intangible Assets	100,895	106,587	(5,692)	-5%
Other assets	69,934	97,087	(27,153)	-28%
Total assets	2,938,157	2,150,962	787,195	37%
Current liabilities	1,112,890	680,357	432,533	64%
Non-current liabilities	244,548	134,873	109,675	81%
Total liabilities	1,357,438	815,230	542,208	67%
Share capital	1,127,192	1,127,192	0	-
Capital surplus	758	226,697	(225,939)	-100%
Retained earnings	50,060	72,818	(22,758)	-31%
Other Equity	336,631	(90,975)	427,606	-470%
Equity Attributable to Owners of the Parent	1,514,641	1,335,732	178,909	13%
Total Equity	1,580,719	1,335,732	244,987	18%

I. Analysis and Explanation of Changes Exceeding 20%:

1. Increase in Long-term Investments:
   Primarily due to the acquisition of a subsidiary during the year, which included the subsidiary's financial assets measured at fair value through other comprehensive income.
2. Increase in Right-of-use Assets:
   Mainly due to the addition of leased office space during the year.
3. Increase in Investment Property:
   Attributable to new investment property acquisitions during the year, with an increase in fair value revaluation.
4. Decrease in Other Assets:
   Due to the reclassification of previously prepaid land and construction costs into property, plant, and equipment.
5. Increase in Total Assets:
   Mainly resulting from the increase in long-term investments and investment property.
6. Increase in Current Liabilities:
   Due to an increase in short-term borrowings for working capital requirements.

7. Increase in Non-current Liabilities:
Caused by additional long-term borrowings for working capital and an increase in lease liabilities due to newly recognized right-of-use assets.
8. Increase in Total Liabilities:
Primarily due to increases in bank loans and lease liabilities.
9. Decrease in Capital Surplus:
Due to the use of capital surplus to offset losses for the year.
10. Decrease in Retained Earnings:
Attributable to losses incurred during the year.
11. Increase in Other Equity:
Resulting from revaluation gains on newly acquired investment property measured at fair value.

II. Impact of Major Financial Changes in the Last Two Fiscal Years and Future Response Plans:
The above changes are all related to normal business operations and have not had any significant impact on the Company. The Company's overall performance has remained stable without any material abnormalities; therefore, no specific response plans are deemed necessary.

Note 1: The financial data for each of the above years has been audited and certified by certified public accountants.
Note 2: On August 13, 2024, the Board of Directors resolved to change the accounting policy effective January 1, 2024, whereby investment properties will be subsequently measured using the fair value model. As a result of the retrospective application of this accounting policy, prior years have been restated accordingly, and the relevant financial analyses have also been retrospectively adjusted.

II. Financial performance

Major reasons for significant changes in operating income, net profit, and pre-tax net profit over the past two years and expected sales quantities and their basis, as well as potential impacts on the company's future financial operations and response plans:

Unit: NT$ thousand

Item \ Year(Note1)	2024	2023(Note2)	Increase (decrease) amount	Ratio of change (%)
Net operating income	1,152,170	1,150,689	1,481	0%
Operating costs	1,067,246	1,007,204	60,042	6%
Gross profit	84,924	143,485	(58,561)	-41%
Operating expenses	357,154	299,121	58,033	19%
Operating loss	(272,230)	(155,636)	(116,594)	75%
Non-operating income and expenses	603	(27,854)	28,457	-102%
Profit (loss) before tax	(271,627)	(183,490)	(88,137)	48%
Income tax expense (profit)	(16,638)	(45,172)	28,534	-63%
Net income (loss) for the year	(254,989)	(138,318)	(116,671)	84%
Other comprehensive income for the year	407,460	(10,049)	417,509	-4155%
Total comprehensive income for the year	152,471	(148,367)	300,838	-203%
Net Loss for the Year Attributable to Owners of the Parent	(248,781)	(138,318)	(110,463)	80%
Comprehensive Income (Loss) for the Year Attributable to Owners of the Parent	179,236	(148,367)	327,603	-221%

I. Analysis of ratio changes reaching 20 percent:

1. Decrease in Gross Profit: Mainly due to markdown sales aimed at inventory clearance during the current year.
2. Increase in Operating Loss: Primarily attributable to higher operating expenses incurred by newly established subsidiaries in their initial stages of operation.
3. Increase in Non-operating Income and Expenses: Mainly due to increased gains from fair value adjustments of investment properties in the current year, whereas there were higher losses from the disposal of property, plant, and equipment in the previous year.
4. Increase in Pre-tax Loss, Net Loss for the Year, and Net Loss Attributable to Owners of the Parent Company: Mainly due to the decrease in gross profit and the increase in operating expenses during the year.
5. Decrease in Income Tax Benefit: Primarily due to a reduction in deferred income tax benefits.
6. Increase in Other Comprehensive Income, Total Comprehensive Income for the Year, and Comprehensive Income Attributable to Owners of the Parent Company: Mainly due to an increase in revaluation gains on investment properties measured at fair value.

II. The expected sales volume and the basis thereof, the possible impact on the Company's future finance and business, and the response plan:

The Company does not issue financial forecasts; therefore, estimated sales volume and its basis are not applicable.

Note 1: The financial data for each of the above years has been audited and certified by certified public accountants.

Note 2: On August 13, 2024, the Board of Directors resolved to change the accounting policy effective January 1, 2024, whereby investment properties will be subsequently measured using the fair value model. As a result of the retrospective application of this accounting policy, prior years have been restated accordingly, and the relevant financial analyses have also been retrospectively adjusted.

III. Cash flow

(I) Analysis of changes in cash flow in the most recent year:

Item \ Year(Note1)	2024	2023 (Note2)	Amount of change	Increase (decrease) amount (%)
Net cash flow from operating activities	(149,601)	(15,846)	(133,755)	844%
Net cash flows from investing activities	(164,009)	(292,871)	128,862	-44%
Net cash flows from financing activities	333,213	197,450	135,763	69%
Analysis of ratio changes reaching 20 percent: 1. Increase in Cash Outflows from Operating Activities: Mainly due to an increase in pre-tax net loss for the year. 2. Decrease in Cash Outflows from Investing Activities: Primarily attributable to reduced acquisition of subsidiaries and capital expenditures during the year. 3. Increase in Cash Inflows from Financing Activities: Mainly due to increased borrowings to support operational needs.				

Note 1: The financial data for each of the above years has been audited and certified by certified public accountants.

Note 2: On August 13, 2024, the Board of Directors resolved to change the accounting policy effective January 1, 2024, whereby investment properties will be subsequently measured using the fair value model. As a result of the retrospective application of this accounting policy, prior years have been restated accordingly, and the relevant financial analyses have also been retrospectively adjusted.

(II) Improvement plan for inadequate liquidity: Not applicable.

(III) Analysis of cash liquidity for the next year:

Unit: NT$ thousand

Cash balance, beginning (1)	Expected net cash flow from operating activities for the year (2)	Projected cash outflow for the year (3)	Projected cash surplus (deficit) amount (1) + (2) - (3)	Remedies for projected cash shortfalls to maintain a comparable cash balance	
				Investment plan	Financing plan
332,194	(150,000)	130,000	312,194	None	None
1. Analysis of Cash Flow Changes for the Upcoming Year: (1) Operating Activities: The economy is expected to recover gradually, with profitability remaining stable. (2) Investing Activities: Capital expenditures and talent investments for the new business unit are expected to result in cash outflows. (3) Financing Activities: Private placement is expected to generate cash inflows. 2. Planned Measures for Addressing Cash Shortfalls: No such situation is expected.					

IV. Effect upon financial operations of any major capital expenditures during the most recent fiscal year: No significant impact.

V. Re-investment policy in the most recent year, the main reason for profit or loss, and its improvement plan and investment plan for the coming year

(I) Policy on reinvestment and main reasons for profit or loss, along with improvement plans

Unit: NTD in thousands on December 31, 2024

Name of the reinvested company	Investment amount	Recognition of investment gains and losses in 2024.	Policy	Main reasons for gain or loss	Improvement plan
J.B.T Industrial Co., Ltd. (J.B.T.)	207,215	(53,603)	Overseas base	Adjustment stage for the development of product lines, new products and customer sources.	Strengthen operations management
Ji-Haw Opto-Electrical (Kunshan) Co., Ltd. (J.H.P)	414,018	(50,991)	Overseas base	Adjustment stage for the development of product lines, new products and customer sources.	Strengthen operations management
Chuzhou Dingwang Investment & Development Co., Ltd.	5,140 RMB	Note 1	Investment and development	-	-
Ji-Haw Artificial Intelligence Technology (Kunshan) Co., Ltd. (J.H.K)	3,234	(2,309)	Overseas base	Adjustment stage for the development of product lines, new products and customer sources.	Strengthen operations management
Ji-Haw Investment Co., Ltd. (J.H.I.)	9,649	106	Overseas base	Profit gained for investment in overseas financial products or stocks.	-
JI-HAW TECHNOLOGY VN CO., LTD （J.H.V）	3,159	(319)	Overseas base	Adjustment stage for the development of product lines, new products and customer sources.	Strengthen operations management
CHINTEK INC.	133,000	(29,584)	Market expansion	Software design and development requirements	Strengthen operations management
CyPhy-Twin Crop. (C.P.T)	1,524	Note 1	Market expansion	Software design, new product and client development and adjustment	Strengthen operations management
CERMAX CO., LTD.	Note 2	(3,071)	Market expansion	Adjustment stage for the development of product lines, new products and customer sources.	-
Emergence A.I CO., LTD.	10,000	(5,002)	Market expansion	Software design, new product and client development and adjustment	Strengthen operations management
Heph A.I studios Technology CO., LTD.	45,000	(11,928)	Market expansion	Software design, new product and client development and adjustment	Strengthen operations management
SILICON TEST TECH. CORP.	54,000	(4,494)	Market expansion	Poor market conditions	Strengthen operations management
Cheng Yao Industrial Co., Ltd.	1,000	Note 1	Market expansion	Poor market conditions	Strengthen operations management

Name of the reinvested company	Investment amount	Recognition of investment gains and losses in 2024.	Policy	Main reasons for gain or loss	Improvement plan
Jinzuan Semiconductor Investment Co., Ltd.	63,827	3,530	General investment	Profit from financial instruments or stock investments	-
Shan Yi Investment Co., Ltd.	163,500	Note 1	General investment	Profit from financial instruments or stock investments	-

Note 1: The profit or loss of the investee company has already been included in that of the investing company; to avoid confusion, it is not presented separately here.

Note 2: As the Company did not participate in the cash capital increase of the investee, the remaining 18.81% equity held was reclassified as a financial asset measured at fair value through other comprehensive income on the date significant influence was lost.

(II) Future investment plan: Within the scope permitted by laws and regulations, moderate adjustments will be made in response to the expansion of the business scale.

VI. Analysis and assessment of risks

(I) Impacts of changes in interest rate, exchange rate and inflation on the Company's profit and loss and countermeasures:

1. Effect of changes in interest rates and exchange rates on the Company's profit or loss

Unit: NT$ thousand; %

Item	2024	
	Amount	As a percentage of operating revenue
Net interest expense	(12,250)	(1.06)
Foreign exchange gains and losses	3,224	0.28
Net operating income	1,152,170	

Source: Financial report audited by accountants

2. Measures the Company plans to adopt in response to interest rate changes

The Company keeps in close contact with the banks while paying attention to changes in the market in order to obtain more favorable borrowing rates from banks.

3. Impact of exchange rate changes upon the Company's revenue

The Company mainly supplies connector components and parts for various types of information products and consumer electronics products. The proportion of export sales is approximately 90%, with the largest proportion received and paid in U.S. dollars. Given this, the U.S. dollar exchange rate has a significant impact on the Company's exchange rate. While the U.S. dollar is depreciating, the Company has exchange rate losses; when it is appreciating, the Company has exchange rate gains. Overall, the exchange rate gains and losses were within an acceptable range.

4. Measures the Company plans to adopt in response to exchange rate changes

In terms of exchange rates, the Company monitors changes in both domestic and international economic conditions and makes forecasts on exchange rate trends. Based on the daily foreign currency balances and projected income and expenditures, the Company plans and arranges hedging strategies through advance settlement or pre-selling of foreign currencies to mitigate exchange rate risks.

In terms of inflation, there has been no significant inflation observed in the Company's major sales markets in recent years, and therefore, no material impact on the Company's operations.

(II) 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:

1. The Company has been committed to operating within its industry since its establishment and there have been no high-risk or high-leveraged investment activities.
2. The Company provides loans to others and makes endorsements and guarantees. This is performed in accordance with the regulations set forth in the Company's "Procedures for Loaning Funds to Others" and "Endorsement and Guarantee Management Regulations".
3. The Company does not engage in derivative products.

(III) Future research and development projects, and expenditures expected in connection therewith: All R&D projects are according to plan.

1. Future R&D plans:

A. R&D of automotive wiring harness

As a critical component in the automotive system, automotive wiring harness will develop in a highly intelligent direction in the future. As automotive technology continues to improve, we will see more smart components and sensors being added to enable smarter control of automotive systems. Future automotive wiring harnesses will need to integrate more electronic components and sensors with different functions, such as sound systems, navigation equipment, in-car cameras and multimedia entertainment, to meet the changing needs of cars. In response to this trend and demand, we are conducting a series of R&D work on common automotive wiring harnesses, aiming to develop more advanced and smarter automotive wiring harness products to meet the development of future automotive technology.

A. Battery cable: The power cable from the vehicle battery to the vehicle system. It is used to provide the power required by the entire system.

B. Startup wire: Transmit the power from the battery to the starter of the engine to start the engine.

C. Charging cable: used to transmit the power generated by the generator back to the vehicle battery for charging.

D. Lighting cable: used to supply the power required for the vehicle lighting system, including headlamps, rear lamps, direction lamps and brake lamps.

E. A/C cable: used to control the A/C system of the vehicle, including A/C compressors, fans, and temperature controllers.

F. Fuel transmission line: used to transmit the fuel to the fuel system of the engine, including the fuel pump, fuel injector and fuel pressure regulator.

G. Brake cable: used to control the braking system of the vehicle, including the brake pedal and the braking device.

H. Transmission cable: used to control the transmission and transmission system of the vehicle, including the gearbox and transmission.

I. System monitoring cable: used to monitor the state and failure of the vehicle

system, including failure indicator and monitoring instrument.

B. R&D of high-frequency cables

The transmission line in consumer electronic products plays a key role in transmitting signals or power to different components. In order to ensure the user experience and product stability, these transmission cables need to meet the relevant association specifications to ensure that their performance is stable and compliant with the standards. We are concentrating on the research and development of the latest Consumer Electronics Transmission Cable Association specifications in order to respond to changes in market demand and meet consumer demand for product performance and quality.

A. USB4 is the latest USB specification that provides higher transmission rate and more functions, including functions such as transmission rate up to 80 Gbps, support for multiple device connections, and support for higher power input and output. The USB4 standard transmission cable supports the USB Type-C connector and is compatible with Thunderbolt 3.

B. HDMI 2.1 is the latest version of the HDMI standard for connecting high-definition displays and other audio/video devices. It supports higher transmission rate, higher resolution, and higher color depth. The HDMI 2.1 standard transmission line supports the transmission rate of 48 Gbps, and has a durable enclosure and anti-interference design to ensure high-quality video and audio transmission.

C. DisplayPort 40 is the latest DisplayPort standard that provides higher transmission rate and higher resolution, supporting up to 80Gbps transmission rate and 16K resolution. The transmission cable of the DisplayPort 2.0 standard also supports the USB Type-C connector and is highly reliable and durable.

2. Estimated R&D expenses: The R&D expenses planned for 2025 are estimated to account for approximately 8% of the total annual revenue for the year.

(IV) The impact upon the company's financial operations of important policy and legal developments at home and abroad, and the measures the company plans to adopt in response:

As of the date the annual report was published, the company has no ongoing litigation.

(V) Impact of technological changes (including information security risks) and industry changes on the company's financial operations and response measures:

Since 2010, the Company has introduced an Enterprise Resource Planning (ERP) system which has been continuously optimized and upgraded to respond to the growth and adjustment of the business. In doing this, the ERP system is in line with the streamlining and optimization of the Company's integration of system resources. We introduced an e-commerce system in 2012 to optimize the manual process of sales, gradually increasing efficiency. The management of the company and its subsidiaries has implemented a Virtual Private Network (SSL-VPN) to effectively utilize information technology personnel, aiming to reduce costs and enhance corporate competitiveness.

(VI) Impact of changes in corporate image on crisis management and response measures:

The Company has always been committed to operating within its industry, with a goal of establishing a positive social image and fulfilling its social responsibility. There have been no incidents that could have damaged the Company's corporate image.

(VII) Expected benefits, potential risks, and response measures for the acquisition:

After the acquisition of CHINTEK INC., it is expected that we will directly obtain certifications from some Japanese automotive manufacturers, along with several proprietary AI algorithms and related computing power for automotive use, accelerating the implementation of Ji-Haw's future vehicle products and AI business layout. There are no other significant risks.

(VIII) Expected benefits, potential risks, and response measures for expanding the factory: None.

(IX) Risks and response measures associated with concentration in purchasing or sales: None.

(X) Impact, risks, and response measures regarding significant share transfers or replacements by directors, supervisors, or shareholders holding more than ten percent of the shares:

As of the date of the annual report publication, there have been no such instances in the company.

(XI) Impacts, risks, and responsive measures of a change in management rights:

The Company has a professional management team, and will not compromise the Company's advantages in management and operation due to changes in the management rights.

(XII) Litigation or non-litigation events, including finalized judgments or ongoing significant legal, non-litigation, or administrative disputes involving the company, its directors, supervisors, general manager, actual responsible persons, shareholders holding more than ten percent of the shares, and subsidiaries, which could significantly affect shareholders' equity or the price of securities, should disclose the contested facts, the amount in dispute, the start date of the litigation, the main parties involved in the dispute, and the status up to the date of the annual report publication: None.

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

VII. Other important matters: None .

Six. Special Notes

I. Information on affiliates: Please refer to the Market Observation Post System under "Individual Company"→ "Electronic Document Download" → "Affiliated Enterprises Disclosure Section" .

II. Private placement of securities in the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.

III. Other matters that require additional description: None.

IV. 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: None.

Ji-Haw Industrial, Co., Ltd.

Chairman: Shi Hao-Ji