

Action Electronics Co., LTD.

2024 Annual Report

Notice to readers

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

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

Corporate website: [//www.action.com.tw](http://www.action.com.tw)

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I 、Letter to Shareholders:

Dear shareholders:

We extend our sincere appreciation to all the shareholders who attended our 2025 Annual Shareholders' Meeting and for your unwavering support and encouragement throughout the years.

In 2024, the global economic environment continue to face multiple challenges, including disadvantages of US-China competition escalation, geopolitical tension and the continuous impacts on wars, persistence of high inflation pressure, continuation of high interest rate policy, as well as weak global demand, which significantly limited to economical activities and further aggravated the business pressure encountered by each industry.

To face these challenges, the Company strictly adheres to the “specialized, simplified, and profitable” business strategy, and successfully realizes the increase of overall performance by all colleague’s hard work. As our subsidiaries in Taiwan has completed and closed the construction project and recognized revenue, the income of the Company increases by 63% in 2024 compared with 2023, which reaches the highest records for nearly 7 years.

The company adheres to the “specialized, simplified, and profitable” business strategy, devotes to expanding core business, improves operational efficiency, as well as focuses on high value-added market and product to ensure steady profits. Facing the Challenge of global economy, the Company will steadily react to the uncertainty, catch the opportunities, and continue to create value for shareholders, customers and employees The management results of 2024 and prospects for 2025 are reported as follows:

(I) 2024 Operating Results

1. The implementation results of business plan (consolidated financial report):

The operating income for the Company was NT\$2,495,322 thousand in 2024, which represents a 63% increase compared to NT\$1,526,678 thousand in 2023. For the year ended December 31, 2024, the income from operations was NT\$183,726 thousand and the net income after tax was NT\$183,726 thousand., which represents a 69% increase compared to NT\$108,993 thousand in 2023.

Unit: In NT\$ thousand

Item	2024	2023
Operating revenues	2,495,322	1,526,678
Operating Interests	242,480	106,197
Income (loss) before tax	258,353	150,184
Income (loss) after tax	183,726	108,993

2. Financial Receipts and Expenditures Analysis (consolidated financial report):

The Company's net cash inflow from operative activity is NT\$873,528 thousand, net cash outflow from investment activity is NT\$106,893 thousand, net cash outflow from funding activities is NT\$615,921 thousand in 2024; while its cash and cash equivalent has increased NT\$197,580 thousand, the balance of period-end cash and cash equivalent is NT\$950,186 thousand.

3. Return on Investment Analysis (consolidated financial report):

Item		2024	2023	
Return on Investment Analysis (%)	Return on Total Assets	4.02%	2.41%	
	Return on Total Equity	6.28%	3.86%	
	Percentage of Paid-in Capital	Operating Interests	8.75%	3.83%
		Income Before Tax	9.32%	5.42%
	Net Profit Margin	7.36%	7.14%	
	Earnings per Share After Tax	NT\$0.66	NT\$0.39	

4. Outline in research and development (consolidated financial report):

In 2024, the Company invests research and development expenditure of NT\$30,942 thousand, continuing to focus on promoting research and development of intellectual and innovative product, which shows high consideration and commitment to enterprise sustainability.

(II) 2025 Business Plan

1. Business strategies and strategic guidelines:

The Company adheres to the four guidelines, "collaboration", "innovation", "carbon reduction" and "sustainability", completely promotes business strategy.

- (1) Collaboration: In response to change of the times, the Company combines product development with market demands, enhances the collaboration with teams and partners, improves the efficiency, expands sales channel to achieve sales growth and realize brand influence.
- (2) Innovation: The Company continues to optimize operation to improve efficiency, focus on innovative product technology, moves forward to intellectual process, and combines market demand to launch high-competitive product, and therefore improves product sales performance and market share.
- (3) Carbon reduction: The Company optimizes internal process through digitalization to decrease the environment impacts, actively develop renewable resource, launch environmentally product, and enhance market competitiveness as well as sales performance to realize green business goal.

- (4) Sustainability: The Company concerns the environment and society, develops talents, promotes enterprise ESG sustainability, and combine it with the Company's long-term development strategy to achieve sustainable growth and value creation.
2. Expected sales quantity and significant industrial selling policy

The main businesses of the Company and its subsidiaries include sales, installation, and servicing of electrical home appliances; the manufacturing and trading of automotive electronic products; warehousing and logistics services; as well as real estate sales and leasing.

 - (1) Brand Management and Service Business Operation System: Kolin brand appliances has been deeply rooted in Taiwan market for over 60 years, it has independent after-sales service system, and becomes one of the famous appliance brand in Taiwan by means of the business mode integrated with sales and service. The company continues to apply intellectual technology, which not only improves the convenience of use and energy efficiencies, but also makes the customers' service experience more constant and quality. Through the quality product design, accurate logistics accessories and complete after-sales system, the Company makes consumers have a sense of thoughtful, and therefore enhance brand value and customer loyalty.
 - (2) Automotive electronics manufacturing business system: modern consumers have increasing demand of wireless connection, personal entertainment and immerse experience, and make rear seat AV equipment moves toward with higher resolution, more intellectual and interconnective. As advances in smart cockpit and ADAS technology, in-car equipment need to strike a balance between entertainment and driver safety to secure driving safety. The Company actively cooperates with customer and technology enterprise to acceleratingly promote ADAS technology, expand market arrangement, and enhance the market share.
 - (3) Asset Activation Business System: the Company successfully activates the asset and actively improves asset value as well as secures stable profits though our diversification business strategy. The Company provides international- standard warehouse facilities and high-quality environments in Shanghai, continuing to create stable profitability for the group with a high rental rate. Former headquarter of Action Electronics Corporation has built two brand-new site office and factory building, devoting to increase the visibility of intellectual green architecture, and become the landmark architecture in this area. This architecture will shows the Company's concept of innovation and sustainability, in order to help the Company increase its brand image, competitive edge in market, and create more opportunity on business expansions in the future.

(III) Looking ahead to the Company's future and Facing the influence of external competition, regulatory environment, and overall business environment

1. Appliance market in Taiwan is super competitive. Local brand competition not only has been intensified, but also responded to positive arrangement from Japan, Korea, Europe and America as well as Chinese brand. In addition, compliance environment has been increasingly strict. The product has to comply with energy efficiency standard that Bureau of Energy, Ministry of Economic Affairs continuously improved, to fulfill the high concern of environmental and energy efficiency from domestic consumer. Under this market environment, the Company continues to promote innovations and changes, in order to enhance our competitive edge. In addition, the Company positively developed intellectual product to comply with the trend of energy conservation and carbon reduction and ensure the competitive advantage in the future.
2. With the help of innovation and expansion of automotive industrial technology, the automotive infotainment market scale increases year by year. Popularization of connected vehicle has further driven the market demand, and enhance the sales quantity of automotive monitor, especially rear seat entertain ant monitor has become standard equipment for most cars. However, global automotive electronics market competition has increasingly intense, each vendors positively expand their ADAS and Smart Cockpits technology and promote innovation and integration with infotainment system. Meanwhile, as every countries are increasingly strict to information security of in-vehicle infotainment system and data privacy regulation, product development has to take safety and compliance into consideration. In addition, trade tensions between China and the US continues to influence global supply chain strategy, forces automotive electronics industry to transfer to southeast Asia in an accelerating manner. The Company's production site in Malaysia will be helpful to decrease tariff risk and strengthen the competitive edge in ASEAN market. To adapt market changes, the Company will enhance the competitive edge on our products through technological innovation, modular design and optimized user experience to seize the opportunity of sales growth in the future.
3. Looking ahead, we will continue to focus on the integration of resources from the Group's three major systems to strengthen the quality of our operations and enhance our brand competitiveness. As new technology constantly rolls out, and consuming demand continuously changes, the Company continues to develop professional talents and intensify technological and process innovation, in order to respond to the market challenge and horizontal competition. In addition, in response to the uncertainty of global economic fluctuation and the change of business cycle, the Company will implement stable business strategies, to ensure the income stably increases.

Best Regards,

Good Health and Well-Being

Action Electronics Co., Ltd.

President: Peng Ting-Yu

Manager: Peng Hsiu-Yun

Chief Accountant : May Huang

II 、 Corporate Governance Report

2-1. Information Regarding Directors, Supervisors and Management Team

2-1-1. Directors

2025/4/22

Unit : Share ; %

Title (Note1)	Nationality / Place of Incorporation	Name	Gender / Age (Note 2)	Date of assignment	Office Term	Date First Elected (Note3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark (Note 5)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	ROC	Peng Ting-Yu	F (51~60)	1090615	3 years	880614	4,045,451	1.26	4,322,983	1.56	—	—	—	—	1. Master of Business Administration, University of Southern California, U.S.A. 2. President of Action Electronics Co.,Ltd 3. Consultant of TEEMA 4. Director, Next Generation Charity Association	1. Chairman of Action Electronics Co., LTD 2. Chairman of Action Industries (M) SDN BHD. 3. Director of Action Asia (Shenzhen)Co.,Ltd 4. Director of Realise Tech-Service Co.,Ltd 5. Director of Director of Shanghai Action Technology CO.,LTD 6. Legal person director representative "Clientron Corp".	Director	Peng Chiun-Ping	Father and Daughter	None
Director	ROC	Peng Chiun-Ping	Male (81-90)	1090615	3 years	651217	17,798,895	5.53	20,683,303	7.46	5,187,000	1.87	—	—	Tamkang University 1. Bank of Communications 2. National Taxation Bureau of Taipei 3. Chairman of Action Electronic Co.,Ltd	1. President of Action Electronics Co.,Ltd 2. Chairman of Shanghai Action Technology CO.,LTD 3. Chairman of Far Year Construction CO.,LTD 4. Chairman of Almond Garden Corp. 5. Director of Action Industries (M) SDN.BHD 6. Director of Action Asia (Shenzhen)Co.,Ltd	Director	Peng Ting-Yu	Father and Daughter	None
Director	ROC	Liu Chiu-Chi	Male (71-80)	1090615	3 years	1000624	2,098,249	0.76	5,101,000	1.84	0	—	—	—	Cheng-kung Senior Industrial Commercial Vocational School 1. Chairman of ING-KER Tech Ltd	1. Chairman of ING-KER Tech Ltd 2. Director of Realise Tech-Service Co.,Ltd 3. Supervisor of Action Asia(Shenzhen)Co.,Ltd	None	None	None	None
Director	ROC	Chao Teng-Pang	M (71-80)	1090615	3 years	880614	1,357,820	0.44	1,442,820	0.52	0	—	—	—	Tamkang University 1. Chairman of Action Electronic Co.,Ltd 2. Chairman of America Action Inc. 3. Santron Electronic Co.,Ltd 4. Chairman of Far Year Technology	1. Chairman of Realise Tech-Service Co.,Ltd 2. Director of Far Year Construction CO.,LTD 3. Director of Action Asia (Shenzhen)Co.,Ltd 4. Director of Action Industries (M) SDN.BH. 5. Director of Almond Garden Corp. 6. Supervisor of Dede Technology (Shenzhen) Co., Ltd	None	None	None	None

Director	ROC	Wen Yu Mei	F (61-70)	1090615	3 years	1090615	2,261,000	0.82	2,301,000	0.83	0	—	—	—	1.MBA NCCU 2.National Taipei College of business 3.Senior Manager of First Securities Inc. 4.Finance Manager of Taoyou Securities Inc	1. Chairman of You Yuan Lai Investment Ltd. 2. Director of Action Asia (Shenzhen)Co.,Ltd 3.Director of Dede Technology (Shenzhen) CO., LTD 4. Director Of Far Year Construction CO.,LTD 5. Chairman, Far Year Senior High School, Jian, Jiangxi	None	None	None	None
Director	ROC	Peng Hsiu-Yun	F (61-70)	1090615	3 years	10906154	1,120,000	0.40	1,120,000	0.40	170,158	0.06	—	—	*BusinessManagement Pacific Western University 1.Director of Shanghai Taiwan Compatriots Association, Vice Chairman of Jiading District 2.Director of Shanghai Taiwan Compatriots Association, President of Jiading District Women's Federation	1. Director and General manager of Shanghai Action Technology CO.,LTD 2. General manager of Action Electronics Co., LTD 3.. Director of Action Asia (Shenzhen) CO., LTD.	None	None	None	None
Director	ROC	Yeh Li-Wei	Male (51-60)	20230626	three year	20230626	2,000,000	0.72	2,000,000	0.72	79,825	0.03	—	—	M.S., Graduate School of Optoelectronics, National Central University 1.Project Manager, Product Engineering Division, Nanya Technology 2.Marketing Department Project Manager, Nanya Technology	1. Senior Manager, Action Electronics Co., LTD 2. Head of R&D, Action ASIA (SHENZHEN) Co., Ltd.	None	None	None	None
Director	ROC	Shin Chuan Yuan Investment Co.,Ltd		1090615	3 years	1090615	1,000,000	0.36	1,000,000	0.36	—	—	—	—	—					
		Representative: Tsai Jinwan	M (51-60)	1090615	3 years	1090615	0	0.00	0	0.00	—	—	—	—	Department of uiness Management of Saginaw Valley State University 1.Lecturer of National Open University 2. Taoyuan City Government Municipal Advisor 3.Chairman of Baoshan Guandi Temple, New Taipei City	1General manager Of Far Year Construction CO.,LTD 2.Chairman of Action Electronics Co., LTD 3. Director of Dede Technology (Shenzhen) CO., LTD. 4.Taoyuan City Government Municipal Advisor 5.Consultant of Taiwan Science Park Science Industry Association	None	None	None	None

Independent Director	ROC	Tang Peng-Chin	Male (51-60)	1090615	3 years	1090915	-	-	-	-	-	-	-	-	-	*National Chung Hsing University, Accounting Dept. *CPA 1. Accountant of Jian Yang United Accounting Firm. 2. Tongxie Electronic Audit Manager and Spokesperson	1. Chairman of TransGlobe capital management Ltd.(TGCM). 2. Independent Director of KINGZA International CO., LTD. Ltd 3. Director of 渴樂園有限公司, a company operating Dante Coffee.	None	None	None	None
Independent Director	ROC	Chang Zhi-Yuan	Male (71-80)	20230626	3 year	20230626	-	-	-	-	-	-	-	-	-	B.S. in Industrial Engineering, Feng Chia University, M.B.A., Saginaw State University, Michigan, U.S.A. 1. Human Resources Manager, Electronic Research Institute, Industrial Technology Research Institute 2. Spokesperson, Associate, Huabang Electronics Co. 3. Chairman, Huabang Integrated Circuits (Shenzhen) Co. 4. Deputy Secretary General and China Director, Taiwan Electrical and Electronic Industries Association (TEEIA) 5. Secretary General, Taiwan Science Park Science Industry Association	1. Director, Taiwan Science Park Science Industry Association 2. Director, Industrial Technology Research Institute (ITRI) Alumni Association 3. Independent Director, Bright Led Electronics Corp 4. Vice President, Feng Chia University Technology Alumni Association	None	None	None	None

Independent Director	ROC	Yen Tzong-Ming	M (71~80)	1090615	3 years	1090615	-	-	-	-	5,587	-	-	-	<ul style="list-style-type: none"> • Department of Commercial Mathematics, Soochow University, Master of Economics • Washington College of the University of Pennsylvania PhD Program in Finance 1.Executive Yuan National Science Council Hsinchu Science and Engineering Director of Industrial Park Administration and Hsinchu Biomedical Campus Program Office director. 2. Adjunct in the Department of Business Administration, Private Xuanzang University visiting professor. 	<ol style="list-style-type: none"> 1.Independent Director of Machvision Inc 2. Director of Hsinchu Private Guangfu Middle School 3. General Councilor of Alumni Service and Resource Development Center in Soochow University 	None	None	None	None
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Note 1: Corporate shareholders should list the name of the corporate shareholder and the representative separately (for those who are representatives of corporate shareholders, the name of the corporate shareholder should be indicated), and should fill in Table 1 below.

Note 2: Please list actual age and express it in a range, e.g. 41~50 years old, 51~60 years old.

Note 3: Enter the time when you first became a director or supervisor of the Company, and include a note if there was an interruption.

Note 4: For experience related to the current position, if you have worked for a CPA firm or a related company during the previous reporting period, you should specify the title of the position and the duties for which you are responsible.

Note 5: If the chairman of the board of directors and the general manager or equivalent (top manager) of the company are the same person, spouses or first degree relatives, the reasons, rationality, necessity and Countermeasures (such as increasing the number of independent directors, and more than half of the directors are not concurrently employees or managers) shall be explained.

2-1-2. Institutional shareholder information

Table 1: Major Shareholders of Institutional Shareholders

2025/04/22

Name of Institutional Shareholder(Note1)	Major Shareholders of Institutional Shareholders(Note2)
Shin Chuan Yuan Investment Co.,Ltd.	Wu Fanci Qin 80%

Note 1: If the directors and supervisors are representatives of institutional shareholders, the name of the institutional Shareholders should be disclosed.

Note 2: Fill in the name of the major shareholder of the institutional shareholder (whose shareholding ratio ranked the top ten) and its shareholding ratio. If its major shareholder is a juridical person, it should be disclosed in Table 2 below.

Note3 If the institutional shareholder is not a company, the names and shareholding ratio of shareholders to be Disclosed are the names of people who contributed or donated the capital and the ratio of their contribution Or donation.

2-1-3 、Major shareholders of the Company's major institutional shareholders: None ◦

2-1-4 、Information Regarding Directors

A. Professional Qualifications and Independence Analysis of Directors: Directors

Criteria Name	Professional Qualifications requirements and work experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Peng Ting-Yu (Chairman)	<p>a. Profession qualifications: Business, legal, financial, accounting or corporate. The work experience required for the service; and there is no company law 30 items of various affairs. Master of Business Administration, University of Southern California, U.S.A.</p> <p>b. Education: Master at USC</p> <p>C. Work expense:</p> <ul style="list-style-type: none"> ● General manager of Action Electronics Co., Ltd. ● Consultant of TEEMA ● Director, Next Generation Charity Association ● current position: Currently Chairman of Action Electronics Co., Ltd 、 Chairman of Action Asia(Shenzhen)Co., Ltd 、 Chairman of Action Industries (M)SDN.BH. 	Not applicable	0
Peng Chiun-Ping (Director)	<p>a. Profession qualifications: Business, legal, financial, accounting or corporate The work experience required for the service; and there is no company law 30 items of various affairs.</p> <p>b. Education: Tamkang University</p> <p>C. Work expense:</p> <ul style="list-style-type: none"> ● Bank of Communications ● National Taxation Bureau of Taipei ● Chairman of Action Electronic Co., Ltd ● current position: .President of Action Electronics Co., Ltd 、 .Chairman of Shanghai Action Technology Co., Ltd 、 .Chairman of Far Year Construction Co., Ltd 	Not applicable	0
Chao Teng-Pang (Director)	<p>a. Profession qualifications: Business, legal, financial, accounting or corporate The work experience required for the service; and there is no company law 30 items of various affairs.</p> <p>b. Education: Tamkang University</p> <p>C. Work expense:</p> <ul style="list-style-type: none"> ● Chairman of Action Electronic Co., Ltd 、 Santron Electronic Co., Ltd ● current position: Chairman of Realise Tech-Service Co., Ltd 、 Director of Far Year Construction CO., LTD 、 Director of 、 Director of Action Asia(Shenzhen)Co., Ltd 、 Supervisor of Shanghai Action Technology CO., LTD 	Not applicable	0

Criteria Name	Professional Qualifications requirements and work experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Liu Chiu-Chi (Director)	a. Profession qualifications: Business, legal, financial, accounting or corporate The work experience required for the service; and there is no company law 30 items of various affairs. b. Work expense: ●Cheng-kung Senior Industial Commercial Vocational School ●Chairman of ING-KER Tech Ltd ●Current position: Director of Realise Tech-Service Co.,Ltd ∨ Supervisor of Action Asia(Shenzhen)Co.,Ltd	Not applicable	0
Wen Yu Mei (Director)	a. Profession qualifications: Business, legal, financial, accounting or corporate The work experience required for the service; and there is no company law 30 items of various affairs. b. Education: MBA NCCU ∨ National Taipei College of business c. Work expense: ●.Senior Manager of First Securities Inc. ●.Finance Manager of Taoyou Securities Inc d.Current position: Chairman of You Yuan Lai Investment Ltd. ∨ Director of Dede Technology (SHENZHEN) CO., LTD. Director of Far Year Construction Co.,Ltd. ∨ Action Asia(Shenzhen)Co.,Ltd ∨ Chairman of Far Year Senior High School, Jian, Jiangxi ∘	Not applicable	0
Peng Hsiu-Yun (Director)	a. Profession qualifications:Business, legal, financial, accounting or corporate The work experience required for the service; and there is no company law 30 items of various affairs. b. Education: Management ,Pacific Western University c. Work expense: ●. Director of Shanghai Federation of Taiwan Compatriots Deputy Chairman of Jiading District ●Current position: Director and General manager of Shanghai Action Technology CO.,LTD ∶ Director of Action sia(Shenzhen)Co.,Ltd	Not applicable	0
Shin Chuan Yuan Investment Co.,Ltd Representative: Tsai Jin wan (Director)	a. Profession qualifications:Business, legal, financial, accounting or corporate The work experience required for the service; and there is no company law 30 items of various affairs. b. Education: Department of uiness Management of Saginaw Valley State University c. Work expense: ●Lecturer of National Open University ●Director of Sanyo Whisbih Group Education Foundation ●Chairman of Baoshan Guandi Temple, New Taipei City ●Current position: Current position(s):Chairman of Shin Chuan Yuan Investment Co. Ltd., General Manager of Far Year Construction Co. Ltd., Director of Dede Technology (SHENZHEN) CO., LTD., Director of Culture and Education Foundation of Action Electronics Co.,Ltd., Consultant of Taiwan Science Park Science Industry Association	Not applicable	0
Yeh Li-Wei (Director)	● Have the necessary working experience in commercial, legal, financial, accounting or company business; and have not been subject to the provisions of Section 30 of the Companies Act. ●Education: M.S., Graduate School of Optoelectronics Technology, National Central University, Taiwan ●Previous positions: Project Manager, Product Engineering Division, Nanya Technology Corporation; Project Manager, Marketing Division, Nanya Technology Corporation. ●Current position(s): Senior Manager of the Company, Head of R&D, Action ASIA (SHENZHEN) Co., Ltd.	Not applicable	0

B. Professional Qualifications and Independence Analysis of Directors: Independent Director

Criteria Name	Professional Qualifications requirements and work experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Tang Peng-Chin (Independent Director))	<p>a. Profession qualifications:Business, legal, financial, accounting or corporate The work experience required for the service; and there is no company law 30 items of various affairs.</p> <p>b. Education:National Chung Hsing University,Accounting Dept. 、 CPA</p> <p>c. Work expense:</p> <ul style="list-style-type: none"> ●Accountant of Jian Yang United Accounting Firm. ●Tongxie Electronic Audit Manager and Spokesperson ●Current position: <p>(1)Chairman of TransGlobe capital management Ltd.(TGCM). (2)Independent Director of KINGZA International CO., LTD. Ltd (3)Director of 渴樂園有限公司, a company operating Dante Coffee.</p>	<p>(1) Not the person,the person's spouse. Relative within the second degree of kinship,of a director,supervisor or an Employee of the company or any of its affiliates.</p> <p>(2) Not the person who holds shares,together with those held by the person's Spouse,minor children,or held by the person under others' names.In an aggregate of 0% of the total number of issued shares of the company,</p> <p>(3) Not a director or supervisor of the company or any of its affiliates.</p> <p>(4) Not a professional who provides audits or commercial,legal commercial,legal,financial,accounting,or other related services with compensation within the past two years to UPEC or its affiliates.</p>	1
CHANG ZHI-YUAN (Independent Director)	<p>a. Profession qualifications:Business, legal, financial, accounting or corporate The work experience required for the service; and there is no company law 30 items of various affairs.</p> <p>b. Education:B.S. in Industrial Engineering, Feng Chia University, M.B.A., Saginaw State University, Michigan, U.S.A.</p> <p>c. Work expense:</p> <p>Human Resources Manager, Electronics Research Institute, Industrial Technology Research Institute (ITRI); Associate, Spokesperson, Huabang Electronics Corporation; Chairman of Huabang Integrated Circuits (Shenzhen) Co., Deputy Secretary General and China Director of Taiwan Electrical and Electronic Industries Association (TEEMA), Secretary General of Taiwan Science Park Science Industry Association</p> <ul style="list-style-type: none"> ●Position: <p>Director of Taiwan Science Park Science Industry Association, Administrative Advisor of Executive Yuan, Director of Industrial Technology Research Institute (ITRI) Alumni Association, Independent Director, Bright Led Electronics Corp, Vice President of Feng Chia University Technology Alumni Association.</p>	<p>(1) Not the person,the person's spouse. Relative within the second degree of kinship,of a director,supervisor or an Employee of the company or any of its affiliates.</p> <p>(2) Not the person who holds shares,together with those held by the person's Spouse,minor children,or held by the person under others' names.In an aggregate of 0% of the total number of issued shares of the company,</p> <p>(3) Not a director or supervisor of the company or any of its affiliates.</p> <p>(4) Not a professional who provides audits or commercial,legal commercial,legal,financial,accounting,or other related services with compensation within the past two years to UPEC or its affiliates.</p>	1
Yen Tzong-Ming (Independent Director))	<p>a.Profession qualifications:Business, legal, financial, accounting or corporate The work experience required for the service; and there is no company law 30 items of various affairs.</p>	<p>(1) Not the person, the person's spouse. Relative within the second degree of kinship,of a director,supervisor or an Employee of the company or any of its affiliates.</p>	1

	<p>b. Education:</p> <ul style="list-style-type: none"> ●Department of Commercial Mathematics, Soochow University, Master of Economics ●Washington College of the University of Pennsylvania PhD Program in Finance <p>c. Work expense:</p> <p>(1)Executive Yuan National Science Council Hsinchu Science and Engineering</p> <p>(2)Director of Industrial Park Administration and Hsinchu Biomedical Campus Program Office director.</p> <p>(3) Adjunct in the Department of Business Administration, Private Xuanzang University visiting professor.</p> <p>(4)Part-time job in the Science Management Institute of National Chiao Tung University Associate Professor ◦</p> <ul style="list-style-type: none"> ●Current position Independent Director of Machvision Inc., Director of Hsinchu Private Guangfu Middle School, General Councilor of Alumni Service and Resource Development Center in Soochow University. 	<p>(2) Not the person who holds shares, together with those held by the person's Spouse, minor children, or held by the person under others' names. In an aggregate of 0% of the total number of issued shares of the company,</p> <p>(3) Not a director or supervisor of the company or any of its affiliates.</p> <p>(4) Not a professional who provides audits or commercial, legal, financial, accounting, or other related services with compensation within the past two years to UPEC or its affiliates.</p>	
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2-1-5 、 Diversification and independence of the board of directors

A 、 Diversity of the Board of Directors:

In accordance with the "Code of Corporate Governance Practices", the Company's Board of Directors is composed of members who formulate and implement policies on board diversity. Individual directors' implementation of board diversity is categorized as follows, based on the Company's operations and the expertise of the directors.

- (1) The Business Development Group has management and leadership decision-making directors: Chairman Peng Ting-yu, Directors Peng Chiun-Ping, Chao Teng-Pang, Hsu Wen-Tang, Liu chiu-chi, Wen Yu-mei, Peng Hsin-Yun, Tsai Jin Wan, etc., hold monthly management committees to discuss improvement measures based on operating results and performance. Make records and track the situation of improvements.
- (2). Directors of Industry Knowledge and Financial Accounting Group: Chairman Peng Ting-yu, Directors Peng Chiun-Ping, Chao Teng-Pang, Yeh Li-Wei, Liu chiu-chi, Wen Yu-mei, Peng Hsin-Yun, Tsai Jin Wan, etc. Conduct monthly financial analysis on the financial statements of each unit, international industry changes form, put forward operational crisis management, and improve operations ◦
- (3) Independent Director, Tang Peng Chun, is a certified public accountant. Chih-Yuan Chang is the Human Resources Manager of the Electronics Research Institute, and Industrial Technology Research Institute, and was the Spokesperson of Huabang Electronics Co. Yen Tzong-Ming has served as the Director of the Hsinchu Science Park Administration and the Director of the Hsinchu Biomedical Park Project Office of the National Science Council of the Executive Yuan, as well as a director of Mega Bills Finance Corporation. The independent director has experience and expertise in economics, finance, and industry, and has provided advice to the company's operations, which has helped to bring the implementation of internal controls and risk management to the desired results. The independent directors comprise the Compensation Committee and the Audit Committee.
- (4) Members of the Board are selected with the utmost deliberation. In addition to possessing professional expertise and experience, they are required to play a crucial role in the Company's development and governance. Although the Company actively seeks diversity in its Board composition, the talent pool for female directors remains relatively limited, particularly for female leaders who possess the advanced professional capabilities and experience required by the Board, making their availability scarce. Although the current proportion of female directors on the Board has not yet reached one-third, the Company fully recognizes the significance of gender diversity in

corporate governance and business development and is committed to continued efforts in this regard. The diversification of the Board structure is actively promoted, regulatory requirements are diligently adhered to, and stronger assurances are provided for the Company's long-term development.

B、Diversity of board members and their achievement:

- ✓ There are 3 female directors (27%) and 8 male directors (73%).
- ✓ 2 directors with employee status (18%), 3 directors with employee status (27%)、One directors with employee status accounted for 9% and three independent directors accounted for 27%.
- ✓ Age of Directors: 5 over 70, 2 between 60 and 70, 4 under 60 ◦
- ✓ Four directors whose term of office is more than ten years and seven directors who are less than five years.
- ✓ The diversification core items of each director are as follows:

Diversity Core Program		gender	Term of office of independent directors			Management	leadership decision	Industry knowledge	Financial Accounting, Legal law
			Less than 3 years	3 to 9 years	More than 9 years				
Director name									
Director	Peng Ting-yu	Female				√	√	√	√
Director	Peng Chiun-Ping	Male				√	√	√	√
Director	Chao Teng-Pang	Male				√	√	√	√
Director	Liu Chiu-Chi	Male				√	√	√	√
Director	Wen Yu-Mei	Female				√	√	√	√
Director	Peng Hsiu-Yun	Female				√	√	√	√
Director	Representative of Shin Chuan Yuan Investment Co.,Ltd. Tsai Jin-Wan	Male				√	√	√	√
Director	Yeh Li-Wei	Male				√	√	√	√
Independent Director	Tang Peng-Chin	Male		√		√		√	√
Independent Director	Chang Zhi-Yuan	Male	√			√		√	√
Independent Director	Yen Tzong-Ming	Male		√		√		√	√

The Company's Board of Directors and its members fully comply with the independence requirements stipulated by regulations. There are no violations of Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act.

2-1-6、Information Regarding Management Team

4/22/2025

Unit : share ; %

Title (Note1)	Nationality	Name	Gender	Date of Assignment	Share Held		Share held by spouse and minors		Share held by Nominee Arrangement		Experience (Education) (Note2)	Other Positions	Managers who are Spouses or Within Two Degrees of Kinship			Remark Note 3
					shares	%	shares	%	shares	%			Title	Name	Relation	
General Manager	ROC	Peng Hsiu-Yun	Female	2023.12.19	1,120,000	0.40	170,158	0.06	—	—	MBA, University of the Westpac, USA 1. Director of Shanghai Taiwan Compatriot Association, Vice Chairman of Jiading District 2. President of Jiading District Women's Association, Shanghai Taiwan Compatriot Association	1. Director and General Manager of Shanghai Maxin Memory Technology Co., Ltd. 2.General Manager of Action Electronics Co., LTD 3.Director of ACTION ASIA (SHENZHEN) CO., LTD.	No	None	No	None
Senior Manager	ROC	Yeh Li-Wei	M	2025.01.01	2,000,000	0.72	79,825	0.03	—	—	M.S., Graduate School of Optoelectronics Technology, National Central University, Taiwan 1. Project Manager, Product Engineering Division, Nanya Technology 2. Marketing Department Project Manager, Nanya Technology	Head of R&D, Action ASIA (Shenzhen) Co., Ltd.	No	None	No	None
Senior Manager	ROC	WENG MING-HUA	Male	2023..07.03	—	—	—	—	—	—	1. Saiko Industry & Commerce Graduation 2. Associate, Sanyo Industrial Co. 3.Director, Kolin Inc. 4.Assistant Manager, Sheng Lin Technology Co., Ltd.	No	No	No	No	
Financial Officer	ROC	Vincent Weng	M	111.05.12	—	—	—	—	—	—	1.Institute of Finance, Yuan Ze University 2. Financial Supervisor of Shuanghong Technology Co., Ltd.	Supervisor of Realise Tech-Service Co.,Ltd	No	None	No	None

Title (Note1)	Nationality	Name	Gender	Date of Assignment	Share Held		Share held by spouse and minors		Share held by Nominee Arrangement		Experience (Education) (Note2)	Other Positions	Managers who are Spouses or Within Two Degrees of Kinship			Remark Note 3
					shares	%	shares	%	shares	%			Title	Name	Relation	
Accounting Officer	ROC	May huang	F	112.01.01	—	—	—	—	—	—	1. Graduated from the Accounting Department of Chung Yuan University 2. Manager of Audit Department of Anhou Jianye Certified Public Accountants 3. Senior Manager of Accounting Department of Risheng Life Technology Co., Ltd. 4. Senior Manager of Finance and Accounting Department of Cayman Likai Power Technology Co., Ltd.		None	None	None	None
Head of Corporate Governance	ROC	Chelsea Chen	M	111.01.01	—	—	—	—	—	—	Department of Public Administration, Taipei University	Secretary of the Board of Directors of Action Electronics Co., Ltd.	None	None	None	None

Note1 : Information Regarding General managers 、 Vice President 、 Assistant VP and heads of Department should be disclosed and regardless of job title, any person whose position is equivalent to General Manager, Vice President, Assistant VP should be disclosed too.

Note 2: For the experience relevant to the current position, such as employment at an audit and certification accounting firm or an associated enterprise during the said period, the title and responsibilities shall be specified.

Note 3: If the chairman of the board of directors and the general manager or equivalent (top manager) of the company are the same person, spouses or first degree relatives, the reasons, rationality, necessity and Countermeasures (such as increasing the number of independent directors, and more than half of the directors are not concurrently employees or managers) shall be explained.

2-2、Remuneration Paid to Directors, Independent Directors, Supervisors, President, and Vice Presidents

2-2-1、Remuneration of Directors and Independent Directors

Unit : NT thousand

Job Title	Name	Directors' remuneration								Total amount of A, B, C, and D and percentage of net income after tax (Note 10)		Remuneration for part-time employees								Total amount of A, B, C, D, E, F, and G and percentage of net income after tax (Note 10)		Remuneration from investing activities other than those of subsidiaries (Note 11)
		Remuneration (A) (Note 2)		Retirement Pension (B)		Directors' remuneration (C) (Note 3)		Business execution expenses (D) (Note 4)				Salaries, bonuses and special expenses, etc. (E) (Note 5)		Retirement Pension (F)		Staff remuneration (G) (Note 6)						
		Company	All companies in the financial statements (Note 8)	Company	All companies in the financial statements (Note 8)	Company	All companies in the financial statements (Note 8)	Company	All companies in the financial statements (Note 8)	Company	All companies in the financial statements (Note 8)	Company	All companies in the financial statements (Note 8)	Company	All companies in the financial statements (Note 8)	Cash Amount	Stock Amount	Cash Amount	Stock Amount	Company	All companies in the financial statements (Note 8)	
Chairman	Peng Ting-Yu	0	0	0	0	Note 3	120	659	120	659	3,034	4,692	0	0	0	0	0	0	3,154	5,351	No	
Director	Peng Chiun-Ping	0	0	0	0		85	907	85	907	840	4,271	0	0	0	0	0	0	925	5,178	No	
Director	Chao Teng-Pang	0	0	0	0		75	584	75	584	0	1,200	0	0	0	0	0	0	75	1,784	No	
Director	YEH LI-WEI	0	0	0	0		80	80	80	80	1,268	1,268	0	0	0	0	0	0	1,348	1,348	No	
Director	LIU CHIU-CHI	0	0	0	0		80	154	80	154	0	0	0	0	0	0	0	0	80	154	No	
Director	Wen Yu-Mei	0	0	0	0		85	139	85	139	0	0	0	0	0	0	0	0	85	139	No	
Director	Peng Hsiu-Yun	0	0	0	0		80	214	80	214	2,076	2,855	0	0	0	0	0	0	2,156	3,070	No	
Director	Tsai Jin-Wan, Representative of Shin Chuan Yuan Investment Co.,Ltd.	0	0	0	0		85	85	85	85	0	1,781	0	0	0	0	0	0	85	1,866	No	
Director (Independent)	TANG PENG-CHIN (Independent)	400	400	0	0	0	0	80	80	480	480	0	0	0	0	0	0	480	480	No		
Director (Independent)	Chang Zhi-Yuan (Independent)	400	400	0	0	0	0	80	80	480	480	0	0	0	0	0	0	480	480	No		
Director (Independent)	Yen Tzong-Ming (Independent)	400	400	0	0	0	0	75	75	475	475	0	0	0	0	0	0	475	475	No		

Note 1: The independent directors of the Company are paid a fixed amount of compensation for performing their duties for the Company, regardless of the Company's profit or loss, and are paid quarterly, amounting to NT\$400,000 per year.

Note 2: In addition to the above table, the remuneration received by the directors of the Company for services rendered to all companies included in the financial statements (e.g., serving as consultants to the parent company/all companies included in the financial statements/transferred investment companies that are not employees, etc.) for the most recent year: None.

Note 3: The Company's Board of Directors approved the 2024 distribution of directors' remuneration amounting to NT\$4,041,063 in March 2025, but has not yet resolved the amount to be paid to individual directors.

2-2-2、Remunerations Paid to General Manager and Vice President .

Range of Remuneration

Job Title	Name	Salary (A) (Note 2)		Retirement Pension (B)		Bonus and special expenses, etc. (C)		Staff remuneration (D) (Note 3)				Total of items A, B, C, and D and their percentage of net profit after tax (Note 8)		Remuneration from investing activities other than those of subsidiaries (Note 8)
		Company	Company in the Financial Statements (Note 4)	Company	Company in the Financial Statements (Note 4)	Company	Company in the Financial Statements (Note 4)	Company		All companies in the financial statements (Note 4)		Company	All companies in the financial statements (Note 4)	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
General Manager	Peng Hsiu-Yun	2,885	3,945	0	0	0	0	98	0	98	0	2,983	4,093	None
special assistant	Peng,Bo-Zhang											1.62%	2.20%	

* Regardless of job title, any position equivalent to General Manager or VP(e.g. President, CEO, General Director, etc.) should be disclosed

Remuneration level of each General Managers and Vice President of the company	Name of General Managers and Vice Presidents	
	The Company(Note 5)	Companies in the consolidated financial statements (Note 6)
Less than NT\$1,000,000	Peng,Bo-Zhang	
NT\$1,000,000(inclusive)~NT\$2,000,000(exclusive)	Peng,Bo-Zhang	
NT\$2,000,000(inclusive)~NT\$3,500,000(exclusive)	Peng Hsiu-Yun	

Note: General Manager Peng Ting-Yu is not paid.

Note1: Names of General Managers and Vice Presidents shall be listed separately and individual payments made shall be disclosed through a summary. If the director is also a general manager or vice general manager, this table and the above table (1-1 or 1-2) shall be completed.

Note2 : Refers to the salaries, duty allowances, and severance pay paid to the General Manager and VP in the most recent year.

Note3 : Refers to the amount of employee compensation (including stock and cash) approved by the Board of Directors for General Manger and VP in the amount and ratio distributed last year.

Note4 : The total remuneration paid by all companies in the consolidated statements (including the Company) to General Manager and VP must be disclosed

Note5 : The total remuneration paid by the Company to General Manager and VP must disclose their name

Note6 : The total remuneration paid by all companies in the consolidated statements (including the Company) to General Manager and VP must disclose their name.

Note7 : The net income after-tax refers to the net income after-tax in the standalone financial statements for the most recent year.

Note8 : a. Specify the amount of remuneration received by General Manager and VP from ventures other than subsidiaries

b. The remuneration amount received by General Manger and VP from ventures other than subsidiaries, the amount shall be included in E column and change its name of Column into all

ventures.

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

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

2-2-3 、 Managerial officers with the top five highest remuneration amounts

Unit:NT\$ thousand

Range of Remuneration

job title	Name	Salaries (A) (Note 2)		Retirement and pension benefits (B)		Bonuses and special allowances, etc. (C) (Note 3)		Employee compensation amounts (D) (Note 4)				Total of items A, B, C, and D and their percentage of net profit after tax (Note 6)		Whether any compensat ion was received from investment businesses other than subsidiarie s (Note 7)
		The compan y	All consolidat ed entities (Note 5)	The company	All consolidat ed entities (Note 5)	The company	All consolidat ed entities (Note 5)	Company		All consolidated entities (Note 5)		The company	All consolidat ed entities (Note 5)	
								Cash	Stock	Cash	Stock			
General Manager	Peng Hsiu-Yun	2,076	2,855	0	0	0	0	98	0	98	0	2,174 1.18%	2,953 1.61%	No
special assistant	Peng,Bo- Zhang	809	1,089	0	0	0	0	-	0	-	0	809 0.44%	1,089 0.59%	No
Accounting Officer	May Huang	1,621	1,621	0	0	0	0	166	0	166	0	1,787 0.97%	1,787 0.97%	No
Senior Manager	WENG MING- HUA	1,194	1,194	0	0	0	0	109	0	109	0	1,303 0.71%	1,303 0.71%	No
Head of Corporate Governanc e	Chelsea Chen	907	907	0	0	0	0	138	0	138	0	1,045 0.57%	1,045 0.57%	No

Note: General Manager Peng Ting-Yu Upaid 、 VP Amme_chou 、 Financial Office Vincent Weng 、 Accounting manger May_Huang tenure less than one year 。 General Manager Peng Hsiu-Yun assumed office on December 19, 2023.The Deputy General Manager, Chou, Hui-Yu, will leave on January 31, 2024

Note1: Managerial officers with the top five highest remuneration amounts refers to managers at the Company, in which the standard for determining managers is the applicable scope set forth in Order Tai-Cai-Zheng-San-Zi No. 0920001301 from the former Securities and Futures Commission, Ministry of Finance dated March 27, 2003. The top five highest remuneration amounts are determined based on the sum of salaries, severance pay, bonuses and allowances, and employee compensation received by a managerial officer from all companies in the consolidated financial statements (i.e., A+B+C+D).

Note2 : Refers to the salaries, duty allowances, and severance pay paid to the managerial officers with the top five remuneration amounts in the most recent year.

Note3 : Refers to the remuneration paid to the managerial officers with the top five remuneration amounts, including various bonuses, incentives, travel expenses, special disbursements, allowances, accommodation, company car, other physical items, other compensations, etc., in the most recent year. Where housing, cars, other means of transportation, or expenditures exclusively for individuals are offered, the nature and costs of the offered assets, the actual rent or fair market rent, fuel expenses, and other benefits shall be disclosed. In addition, where a driver is provided, please provide an explanation in the notes on the compensation paid to the driver by the Company, but not calculating as remuneration. The salaries recognized in accordance with IFRS 2 "Share-based Payment," including the share subscription warrants issued to employees, new restricted stock award shares issued to employees, and employee stock at cash capital increase, shall also be calculated as remuneration.

Note4 : Refers to the amount of employee compensation (including stock and cash) approved by the Board of Directors for managerial officers with the top five remuneration amounts in the most recent year. If the amount of employee compensation cannot be estimated this year, the proposed amount should be calculated based on the actual amount and ratio distributed last year.

Note5 : The total remuneration paid by all companies in the consolidated statements (including the Company) to managerial officers with the top five highest remuneration amounts must be disclosed

Note6 : The net income after-tax refers to the net income after-tax in the standalone financial statements for the most recent year.

Note7 : a. Specify the amount of remuneration received by managerial officers with the top five remuneration amounts from ventures other than subsidiaries or from the parent company in this field (Please fill in "None" if none).

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

2-2-4 Names and distribution of management team assigned with employees' bonus

2023/04/27

Unit : In NT\$ thousand

	job title (Note 1)	Name (Note 1)	Stock	Cash	Total	Total amount as a percentage of net profit after tax (%)
Manager	General Manager	Peng Ting-Yu	0	601	601	0.33%
	special assistant	Peng, Bo-Zhang				
	Accounting Officer	May Huang				
	Senior Manager	Weng Ming-Hua				
	Financial Officer	Vincent Weng				
	Head of Corporate Governance	Chelsea Chen				

Note1 : Listed the names and job titles of each managerial officers, but employee's profits sharing bonus can be disclosed through a summary.

Note2 : Refers to the amount of employee compensation (including stock and cash) Approved by the Board of Directors for managerial officers in the most recent year. If the amount of employee compensation cannot be estimated this year, the proposed amount should be calculated based on the actual amount and ratio distributed last year. The net income after-tax refers to the net income after-tax in the standalone financial statements for the most recent year.

Note3 : Managerial officers refers to managers at the Company, in which the standard for determining managers is the applicable scope set forth in Order Tai-Cai-Zheng-San-Zi No. 0920001301 from the former Securities and Futures Commission, Ministry of Finance dated March 27, 2003.

(1) General Managers and equivalent posts

(2) Vice President and equivalent posts

(3) Assistant VP and equivalent posts

(4) Head of Department of Finance

(5) Head of Accounting Department

(6) Other people handling corporate affairs and signature rights

Note4 : If directors, General managers and Vice President receive employee remunerations (including stock and cash), this table needs to be completed in addition to Exhibit 1-2.

2-2-5 Information Regarding Remuneration paid to Directors, General Manager and Vice Presidents from All Entities in the Consolidated Financial Statements in the Most Recent Two Years:

1. Remuneration to Directors as a % of Net Profit after Tax Unit : In NT thousands

year	2024		2023	
	Company	Merger company	Company	Merger company
Item				
Remuneration to Directors	5.08%	11.06%	10.23%	20.97%

Remuneration to managerial officers	1.62%	2.20%	4.84%	6.18%
net profit after tax	183,726	183,726	108,993	108,993

Note: The Company established the Audit Committee instead of supervisors approved by annual shareholders' meeting held on June 24,2014, therefore no remuneration paid to supervisors

2.Relationship between remuneration policies, standards, procedures for setting remuneration and operating performance

① Remuneration policy for directors: In accordance with Article 25 of the Company's of Articles Incorporation, the remuneration of the Chairman, Vice Chairman and directors shall be determined by the Board of Directors in accordance with the value of their participation in and contribution to the Company's operations, and with reference to domestic and international industry standards. The board of directors shall resolve the directors' transportation fees. Article 29 of the Company's Articles of Incorporation stipulates: If the Company makes a profit, it shall appropriate not more than 3% for the directors' remuneration; the independent directors shall not participate in the distribution, and the criteria for the contribution shall be assessed in accordance with the Company's operation and shall be considered and approved by the Remuneration Committee and then sent to the Board of Directors for approval. In addition, Article 6 of the "Rules Governing the Remuneration of Directors and Functional Committees" stipulates that independent directors shall be paid a fixed amount of compensation, quarterly, of NT\$400,000 per year, regardless of the Company's profit or loss, for the performance of their duties. The Company periodically evaluates the remuneration of directors in accordance with the "Board of Directors' Performance Evaluation Method", and the related performance evaluation and reasonableness of remuneration are reviewed by the Remuneration Committee and the Board of Directors.

② Criteria for Managerial officers' remuneration, in order to effectively integrate organizational strategies, departmental objectives, company values (core functions) and employee actions, the Company may establish management rules for employee performance appraisal, stipulate various work allowances and bonuses, and sympathize and reward employees for their efforts in their work, the relevant bonuses shall be granted according to the company's annual operating performance, financial status, operational status and individual performance. In addition, if the Company makes a profit in the year, the Company shall allocate not less than 1% for the employees' remuneration in accordance with Article 29 of the Company's Articles of Incorporation, and the criteria for the allocation shall be assessed according to the Company's operation and approved by the Remuneration Committee and submitted to the Board of Directors for approval. The results of the performance evaluation conducted by the Company in accordance with the "Performance Management Regulations" shall be used as a reference for the bonus payment of the managerial officers.

③ Remuneration Procedures.

A. The remuneration of directors and managerial officers is evaluated periodically based on the evaluation results performed by the "Performance Evaluation Method of the Board of Directors" and the "Performance Evaluation Method" applicable to managerial officers and

employees, respectively.

- B. The Company's directors and managerial officers are evaluated and reviewed annually by the Remuneration Committee and the Board of Directors with reference to their individual performance and contribution to the Company, the overall performance of the Company's operations, the future risks and development trends of the industry, and the timely review of the remuneration system from time to time in light of the actual operating conditions and relevant laws and regulations, and the current trends in corporate governance, in order to strike a balance between sustainable operation and risk control. Director and executive compensation is disbursed in accordance with the company's articles of association, with pre-tax profits serving as the allocation basis. The allocation standard is determined based on the company's operational assessment, subject to review and approval by the remuneration committee before being passed through resolution by the board of directors.
- ④ Relationship to operating performance: Review of payment standards and systems related to the Company's remuneration policy. The Company's remuneration policy is based on the overall operating conditions of the Company, and is based on the achievement rate and contribution of the Company's performance, in order to enhance the effectiveness of the Board of Directors and the management team. In addition, we make reference to industry salary standards to ensure that our management's salary is competitive in the industry and to retain outstanding management personnel.

2-3 、 Implementation of Corporate Governance

2-3-1 、 Operations of the Board of Director Meetings

The annual board of directors' meetings have been held 4 times recently , The attendance of director and supervisor were as follows:

Title	Name(Note1)	Attendance in person (B)	By Proxy	Attendance rate in person (%) 【 B / A 】 (Note 2)	Notes
Chairman	Peng, Ting-Yu	4	0	100	Re-elected on June 26, 2023
Director	Peng, Chiun-Ping	4	0	100	Re-elected on June 26, 2023
Director	Chao, Teng-Pang	4	0	100	Re-elected on June 26, 2023
Director	Yeh Li-Wei	4	0	100	Newly Appointed on June 26, 2023.
Director	Liu, Chiu-Chi	3	1	75	Re-elected on June 26, 2023
Director	Wen, Yu Mei	3	1	75	Re-elected on June 26, 2023
Director	Peng, Hsiu-Yun	4	0	100	Re-elected on June 26, 2023
Director	Shin Chuan Yuan Investment Co.,Ltd Representative: Tsai, Jin Wan	4	0	100	Re-elected on June 26, 2023
Independent Director	Tang, Peng-Chin	4	0	100	Re-elected on June 26, 2023
Independent Director	Chang Zhi-Yuan	3	1	75	Newly Appointed on June 26, 2023
Independent Director	Yen, Tzong-Ming	4	0	100	Re-elected on June 26, 2023

Other matters to be recorded:

1. If the operation of the board of directors is under any of the following circumstances, the date, period, resolution contents, all independent directors' opinions and how the company handled with independent directors' opinions shall be stated:

(1) Matters listed in Article 14-3 of the Securities Exchange Act:

The company has established an audit committee. According to Article 14-5 of the Securities

Exchange Act, approval by more than half of all members of the audit committee and a resolution by the board of directors is required. The provisions of Article 14-3 of the Securities Exchange Act do not apply. Please refer to the annual report for information on the operation of the audit committee.

(2) Other than the foregoing, there are no other resolutions of the Board of Directors to which the independent directors have objected or reserved their opinions and which have been recorded or stated in writing: There is no such situation.

2、The implementation of the withdrawal of a director's interest motion shall state the name of the director, the content of the motion, the reasons for the withdrawal of interests and the voting situation:

Date	Name of Director	Contents of Motion	Reasons for disqualification and voting circumstances
2024.08.09	Peng Ting-Yu, Peng Jun-Ping, Zhao Deng-Bang, Peng Xiu-Yun, Liu Chiu-Chi and Wen Yu-Mei, Tsai Jin-Wan, representative of Shin Chuan Yuan Investment Co., Ltd., Yeh Li-Wei	Proposal for the 2023 distribution of director remuneration	Interested parties avoided the meeting and did not participate in the voting.
2024.11.08	Yeh Li-Wei	Employee Promotion and Compensation Proposal of the Company	Interested parties avoided the meeting and did not participate in the voting.

3. Implementation of the self-assessment by the Board of Directors of the Company:

Evaluation cycle	Evaluation Period	Evaluation Scope	Evaluation Methods	Evaluation Content	Results
Once a year	Performance evaluation from 2024/01/01 to 2024/12/31	The Board of Directors	Internal Self-Evaluation by the Board	1.Level of involvement in the company's operations 2.Improving the quality of board decisions 3.Board Composition and Structure 4.Election of Directors and Continuing Education 5.Internal control 6.other	Good
Once a year	Performance evaluation from 2024/01/01 to 2024/12/31	The Board of Directors	Self-Evaluation by individual board members	1.Mastery of company objectives and tasks 2.Directors' awareness of their duties and responsibilities and their involvement in the Company's operations. 3.Internal relationship management and communication. 4.The directors' professional and continuing education. 5.Internal control	Good
Once a year	Performance evaluation from 2024/01/01 to 2024/12/31	Remuneration Committee and Audit Committee	Internal Self-Evaluation by Functional Committee	1. Participation in company operations 2. Functional Committee Responsibilities Awareness 3. Improve decision-making quality of functional committees 4. Functional committee composition and member selection 5. Internal Control	Good

* The evaluation results is reported to the board of directors on March 14, 2025.

4. The objectives of strengthening the functions of the board of directors in the current and recent years (such as setting up an audit committee, enhancing information transparency, etc.) and evaluation of the implementation.

(1) The company's board of directors has established an audit committee and a salary and

remuneration committee, and other new functional committees will be set up in due course in the future.

(2) When the company convening the meeting of the board of directors, report the current business status of the company to the directors and prepare relevant materials for the proposal. Directors need to further understand the proposal and have relevant personnel to provide information and explanations in a timely manner.

(3) Actively provide information on various refresher courses to encourage directors to actively participate in various corporate governance courses.

2-3-2、Operations of the Audit Committee: Audit Committee established by the resolution of BOD in 2014 and 3 Independent Directors are members of Audit Committee

The Audit Committee met 4 times (A) in the latest year. Attendance of independent directors in the meetings is as follows:

Title	Name(Note1)	Attendance in person(B)	By Proxy	Attendance rate in person (%)【 B / A 】 (Note 2)	Remark
Independent Director	Tang Peng-Chin	3	1	75	2023.06.26 Re-elected
Independent Director	Chang Zhi-Yuan	4	-	100	2023.06.26 Newly appointed
Independent Director	Yen Tzong-Ming	4	-	100	2023.06.26 Re-elected

Other mentionable items :

1、If the operation of the audit committee falls under any of the following circumstances, the meeting date of the audit committee, the period, the content of the proposals, the independent directors' objections, reservations or major recommendations, the results of the audit committee's resolutions, and the company's response to the audit committee shall be stated. Handling of comments.

1. The matters listed in Article 14-5 of the Securities and Exchange Act.
2. Matters not listed above, which require approval by the Audit Committee, but have been approved by a resolution of two-thirds or more of all directors.

Convening date and period	Proposal content and subsequent processing	Matters listed in Article 14-5 of the Securities and Exchange Act	Decisions that have not been approved by the Audit Committee but have been approved by more than 2/3 of all directors
2024.03.12 First Audit Committee	2023 business report, individual and consolidated and financial statements.	✓	No such situation
	2023 surplus distribution plan.	✓	No such situation

	Loan proposal to subsidiary "Far Year Construction Co., Ltd." by the Company.	✓	No such situation
	Internal Control System Statement Draft of 2023	✓	No such situation
	.Audit Committee Resolution Outcome: Unanimous agreement among all attending members. . Company's Handling of Audit Committee Opinion: Unanimous agreement among all attending directors.		
2024.05.10 Second Audit Committee	Appointment of Auditor for the Fiscal Year 2024: Assessment of Suitability and Independence	✓	No such situation
	Amendments to the "Rules and Regulations Governing the Organization of the Audit Committee".	✓	No such situation
	Appointment of the head of audit.	✓	No such situation
	.Audit Committee Resolution Outcome: Unanimous agreement among all attending members. . Company's Handling of Audit Committee Opinion: Unanimous agreement among all attending directors.		
2024.08.09 Third Audit Committee	The Company intends to participate in the cash capital increase of Far Year Construction Co., Ltd.	✓	No such situation
	.Audit Committee Resolution Outcome: Unanimous agreement among all attending members. . Company's Handling of Audit Committee Opinion: Unanimous agreement among all attending directors.		
2024.11.08 The fourth audit committee	The Company intends to participate in the cash capital increase of Far Year Construction Co., Ltd.	✓	No such situation
	"Internal Control System" and "Internal Audit Implementation Regulations" Amendment Draft	✓	No such situation
	Audit Plan for the Fiscal Year 2025	✓	No such situation
	.Audit Committee Resolution Outcome: Unanimous agreement among all attending members. . Company's Handling of Audit Committee Opinion: Unanimous agreement among all attending directors.		

2、The implementation of the withdrawal of a director's interest motion shall state the name of the director, the content of the motion, the reasons for the withdrawal of interests and the voting situation: No such situation ◦

3、Communication situation among independent directors and internal audit supervisors and accountants (for example, matters, methods and results of communication on the company's financial and business conditions, etc.):

(1). The communication between independent directors and internal audit supervisors:

(a) Independent directors review internal audit operations and audit tracking progress and reports every month.

(b) Internal audit reports to independent directors in the audit committee quarterly, fully communicates the execution and effectiveness of the audit operation, and answers inquiries on issues of concern to independent directors. The communication situation is as follows:

Meeting date	Nature and communication topics	Suggestions from independent directors
2024.03.12	Internal audit business execution report for the fourth quarter of 2023.	The independent directors have no opinions or suggestions.
2024.05.10	Internal audit business execution report for the first quarter of 2024.	The independent directors have no opinions or suggestions.
2024.08.09	Internal audit business execution report for the second quarter of 2024.	The independent directors have no opinions or suggestions.
2024.11.08	Internal audit business execution report for the third quarter of 2024.	The independent directors have no opinions or suggestions.

(2). Communication between independent directors and accountants:

Meeting date	Nature and content of communication subject	Independent Director's Suggestion
2024.12.02	1. Accountants communicate and discuss the 2024 audit planning matters and key audit matters. 2. Communication of audit quality indicators and international professional ethics code for accountants.	The independent directors have no opinions or suggestions.

2-3-3、Corporate governance operations and the differences and reasons from the Code of Practice for the Governance of Listed and Overseas Companies

Assessment Items	Implementation Status(Note1)			Non-implementation and its reasons
	Yes	No	Explanation	
1. Does Company follow "Taiwan Corporate Governance Implementation" to establish And disclose its corporate governance practices?	v		<p>The company has not formulated the "Taiwan Corporate Governance Implementation" but has established a complete company .The governance structure is as shown in 3-1 Echo Group Organizational System Chart. Each unit implements business and operation according to the functions and regulations of the Code of Practice for Corporate Governance. The key points of implementation are:</p> <ol style="list-style-type: none"> 1. Establish an effective corporate governance structure, protect the rights and interests of shareholders, strengthen the functions of the board of directors, exert the functions of the audit committee, respect the rights and interests of stakeholders, and enhance information transparency. 2. The relevant provisions of the Code of Practice for Corporate Governance, such as internal control system, subsidiary supervision and management measures, and rules of procedure for board meetings, are all handled in accordance with the provisions of the Code of Corporate Governance, so there is no difference from the "Code of Practice for Corporate Governance for IPO & OTC Companies". 	None
2.Shareholding Structure & Shareholders' Equity				
(1)Does Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, has these procedures been implemented accordingly	v		(1) The company has formulated internal major information handling procedures and measures, and has spokespersons and legal personnel to handle shareholder's suggestions and disputes, all of above can resolve shareholder issues.	None
(2)Does Company possess a list of major shareholders and beneficial owners of these major shareholders?	v		(2) The Company reports changes in insider shareholdings on a monthly basis in accordance with the law, keeps track of the shareholdings of the Company's directors and major shareholders holding 10% or more of the shares, and the list of major shareholders and ultimate controllers through the historical shareholders' register. The stock and investor relations unit maintains good interaction with major shareholders and is aware of important issues that may cause changes in shares.	None
(3)Has the Company built and executed a risk management system and "firewall" between the Company and its affiliates?	v		(3) The operation, business, and financial transactions between the company and the affiliated companies are all formulated operation management methods, and facilitate to establish the internal control system, and the duties, powers and accountabilities of the company and the affiliated companies are clearly divided, and appropriate firewall of risk assessments are constructed.	None
(4)Has the Company established internal rules prohibiting insider trading on undisclosed information?	v		(4) In 2022, the board of directors of the company passed the "internal material information processing and insider transaction processing procedures", will prevent insider trading management measures and prohibit insiders and managers from using undisclosed information on the market. The above-mentioned management measures have been posted on the company's official website.	None

Assessment Items	Implementation Status(Note1)			Non-implementation and its reasons																												
	Yes	No	Explanation																													
<p>3.Composition and Responsibilities of the Board of Directors</p> <p>(1) Has the Company established a diversification policy for the composition of its Board of Directors and has it been implemented accordingly?</p> <p>(2) Other than the Compensation Committee and the Audit Committee which are required by law, does the Company plan to set up other Board committees?</p> <p>(3) Has the Company established methodology for evaluating the performance of its Board of Directors, on an annual basis, reported the results of performance to the Board of Directors, and use the results as reference for directors' remuneration and renewal?</p> <p>(4) Does the Company regularly evaluate its external auditors' independence?</p>	V		(I)The Company's Board of Directors is diverse in terms of age, gender, and professional experience in business management, leadership and decision-making, industry knowledge, and finance and accounting. For information on the expertise and independence of the members of the Board of Directors, please refer to pages 9-12.	None																												
	V		(II) The company has established a Salary and Remuneration Committee, an Audit Committee, and other functional committees. Other functional committees have not yet been planned by the company. They will be set up based on the company's operating scale and needs.	None																												
	V		(III) The company's board of directors passed the "Performance Evaluation Measures" in November 2020 and selected the head of corporate governance to conduct regular evaluations on directors' performance every year since 2020. The evaluation results will be reported to the board of directors in March Per Year and used in the "Directors and functional committee remuneration payment method" for reference.	None																												
	V		<p>(IV) In accordance with the Statement of Ethics No. 10, "Audit and Review Independence," the Company's Accounting Office evaluates the independence and suitability of the certified public accountants on an annual basis and submits the results of the evaluation to the Board of Directors of the Company for discussion and resolution. The Board of Directors is required to submit to the Board of Directors a copy of the CPA's biography, the CPA's Statement of Independence (which is not in violation of Statement No. 10, "Statement of Ethics No. 10"), and AQL information prepared in accordance with the "Guidelines for the Preparation of Audit Quality Indicators by CPA Firms," in order to facilitate the evaluation by the Board of Directors of the independence and suitability of certified public accountants. Company's Board of Directors reviewed and approved on May 10, 2024, that the certified public accountants meet Company's independence and suitability assessment criteria (no direct or significant indirect financial interest in the audit client, the firm's over-reliance on a single client as a source of compensation, and a significant and close business relationship with the audit client, etc.), and the following is a list of the significant items in the assessment of the independence of the certified public accountants:</p> <table border="1"> <thead> <tr> <th colspan="2">Independence Assessment</th> <th colspan="2">Compliance with independence</th> </tr> <tr> <th>Items</th> <th>Major Assessment Projects</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>An accountant shall avoid and shall not undertake any assignment in which he or she has a direct or material indirect interest that affects his or her impartiality or independence.</td> <td>V</td> <td></td> </tr> <tr> <td>2</td> <td>An audit or review of financial statements is an activity that provides a high or moderate, but not absolute, level of assurance to a broad range of potential users of the statements, and it is important for an accountant to maintain not only substantive independence, but also formal independence. Accordingly, members of the audit services team, other certified public accountants, the firm and the firm's affiliates are required to maintain independence from the audit client.</td> <td>V</td> <td></td> </tr> <tr> <td>3</td> <td>Does the independent accountant appointed by the Company maintain the following items (as listed in 3.1-3.3):</td> <td></td> <td></td> </tr> <tr> <td>3.1</td> <td>Integrity: Independent accountants should perform professional services with integrity and a rigorous attitude.</td> <td>V</td> <td></td> </tr> <tr> <td>3.2</td> <td>Impartiality and Objectivity: Independent accountants, when performing professional</td> <td>V</td> <td></td> </tr> </tbody> </table>	Independence Assessment		Compliance with independence		Items	Major Assessment Projects			1	An accountant shall avoid and shall not undertake any assignment in which he or she has a direct or material indirect interest that affects his or her impartiality or independence.	V		2	An audit or review of financial statements is an activity that provides a high or moderate, but not absolute, level of assurance to a broad range of potential users of the statements, and it is important for an accountant to maintain not only substantive independence, but also formal independence. Accordingly, members of the audit services team, other certified public accountants, the firm and the firm's affiliates are required to maintain independence from the audit client.	V		3	Does the independent accountant appointed by the Company maintain the following items (as listed in 3.1-3.3):			3.1	Integrity: Independent accountants should perform professional services with integrity and a rigorous attitude.	V		3.2	Impartiality and Objectivity: Independent accountants, when performing professional	V		None
Independence Assessment		Compliance with independence																														
Items	Major Assessment Projects																															
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3.2	Impartiality and Objectivity: Independent accountants, when performing professional	V																														

Assessment Items	Implementation Status(Note1)				Non-implementation and its reasons
	Yes	No	Explanation		
				services, must maintain an impartial and objective attitude while avoiding conflicts of interest that could affect their independence.	
			3.3	Independence: Independent accountants must uphold a detached and independent stance, both in form and substance, during the audit or review of financial statements, and express their opinions impartially.	V
			4	Accountant independence is associated with integrity, impartiality and objectivity. Whether there is a lack or loss of independence in the appointment of an accountant, which in turn affects the integrity and impartiality of the accountant's position.	V
			5	Whether the accountant's independence is compromised by self-interest, self-assessment, defenses, familiarity, and coercion.	V
			6	Independence influenced by self-interest refers to conflicts of interest arising from financial benefits gained through the Company or other relationships of interest with the Company. Whether the following situations will occur: (as shown in 6.1 to 6.6 below)	
			6.1	A direct or significant indirect financial interest in the Company.	V
			6.2	Financing or guaranteeing activities with the Company or its directors and supervisors.	V
			6.3	Consider the likelihood of loss of the Company.	V
			6.4	We have a close business relationship with the Company.	V
			6.5	There is a potential employment relationship with the Company.	V
			6.6	Contingent public expenses related to the Company's investigation.	V
			7	Independence influenced by self-review refers to situations where the reports or judgments issued by the independent accountant in performing non-audit services serve as key bases for audit conclusions during the audit or review of financial information. This also includes cases where members of the audit service team have previously served as directors or supervisors of the Company, or have held roles directly and significantly influencing the audit engagement. Whether the following situations will occur: (as shown in 7.1 to 7.2 below)	
			7.1	A member of the Audit Services Group currently serves, or has served within the last two years, as a director, supervisor, manager, or in a position of significant influence over the Company's audit cases.	V
			7.2	The non-audit services provided to the Company will have a direct impact on the materiality of the audit case.	V
			8	Independence influenced by advocacy refers to situations where members of the audit service team become advocates for the audit client's position or opinions, resulting in their objectivity being called into question. Whether the following situations will occur: (as shown in 8.1 to 8.2 below)	
			8.1	Promoting or brokering shares or other securities issued by the Company.	V
			8.2	Acting as the Company's advocate or representing the audit client to coordinate conflicts with other third parties.	V
			9	Independence influenced by familiarity refers to cases where close relationships with the Company's directors, supervisors, or managers lead the independent accountant or members of the audit service team to excessively focus on or sympathize with the interests of the audit client. Whether the following situations will occur: (as shown in 9.1 to 9.3 below)	
			9.1	Affiliation with the Company's directors, supervisors, managers, or other persons with significant influence on the audit.	V

Assessment Items	Implementation Status(Note1)				Non-implementation and its reasons	
	Yes	No	Explanation			
			9.2	A co-certified public accountant who has been out of office for less than one year serves as a director, supervisor, or manager of the Company, or in a position that has significant influence on audit cases.	V	
			9.3	Acceptance of gifts or gratuities of significant value from the audit client company or its directors, supervisors, or managers.	V	
			10	Independence influenced by intimidation refers to circumstances where members of the audit service team experience or perceive threats from the Company, preventing them from maintaining objectivity and addressing professional skepticism. Whether the following situations will occur: (as shown in 10.1 to 10.2 below)		
			10.1	Requiring accountants to accept management's improper choices in accounting policies or improper disclosures in financial statements. Putting pressure on the accountant to unduly minimize the number of audits that should be performed in order to reduce the cost of the audit.	V	
			10.2	Putting pressure on the accountant to unduly minimize the number of audits that should be performed in order to reduce the cost of the audit.	V	
4 ∙ Does the Company appoint competent and appropriate corporate governance personnel and corporate governance officer to be in charge of corporate governance affairs (including but not limited to furnishing information required for business execution by directors, assisting directors' compliance of law, handling matters related to board meetings and shareholders' meetings according to law, and recording minutes of board meetings and shareholders' meetings)? an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?	V		IV. The board of directors of the company has approved and elected the "Corporate Governance Chief Coordinating Related Business" to be responsible for matters related to corporate governance in November 2020, information required by directors and independent directors, information required to assist directors in performing business, and to hold a meeting of board of directors, make minutes of board meeting and co-work with related matters of shareholder meetings in accordance with the laws and regulations, etc.			None
5 ∙ Has the Company established a means of communicating with its Stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) or created a Stakeholders Section on its Company website? Does the Company respond to stakeholders' questions on corporate responsibilities?	V		(I) The company has set up an investor area on the company website, instructing to communicate with stakeholders including investor relations, stock affairs, etc.; and provide spokesperson contact information on the website to appropriately respond to the concerning issues of stakeholders (including original manufacturer/ upstream suppliers, customers, shareholders/investors/banks, media, employees...) to set up a smooth communication channel. (II) There are communication channels for employees in the company's team, and employees can express their opinions via email or in written.			None
6 ∙ Has the Company appointed a professional registrar for its Shareholders' Meetings?	V		The company appointed Stock Affairs Agency of Yuanfa Securities Co., Ltd. to handle stock affairs.			None
7 ∙ Information Disclosure (1) Has the Company established a corporate website to disclose information regarding its financials, business and corporate governance status? (2) Does the Company use other information disclosure channels (e.g. maintaining	V		(1) The company has set up a website to disclose the company's overview and financial information, and has dedicated personnel responsible for data maintenance and update. Company Website: http://www.action.com.tw			None
	V		(2) The company has set up spokespersons and acting spokespersons in accordance with the regulations, and designated dedicated personnel to collect company information, and be responsible for the disclosure of			None

Assessment Items	Implementation Status(Note1)			Non-implementation and its reasons
	Yes	No	Explanation	
(3) Does the Company announce and report the annual financial statements within two months after the end of the fiscal year, and announce and report the first, second, and third quarter financial statements as well as the operating status of each month before the prescribed deadline?	V		<p>significant company information, and update the public information on the Market Observation Post system (MOPS) on time. (Currently, the company has not yet set up an English website)</p> <p>(3) to the large number of overseas subsidiaries held by the Company, the Company was unable to announce and report the annual financial statements within two months of the end of the fiscal year for 2024 in order to cooperate with each subsidiary to complete the consolidated financial statements, but the Company has cooperated with the law to nounce and report the annual financial statements 75 days before the end of the fiscal year for 2024 and will aim to announce the financial statements within two months from now on.</p> <p>The Company announces the first, second and third quarterly financial reports 45 days before the end of each quarter, and the Group's revenue, capital loans, endorsements and guarantees, and the execution of derivatives by the 10th of each month according to the regulations.</p>	None
8、Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (e.g. including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors)?	V		<p>1. Employees' rights and interests: The company abides by labor laws and regulations, and the appointment and dismissal, transfer, salary, rewards and punishments, education and training of related employees are in accordance with the company's internal management system to protect the rights and interests of employees. In accordance with laws and regulations, an Employee Welfare Committee has been established, a pension system has been implemented, and group insurance for employees has been insured.</p> <p>2. Employee care: The company provides employee profit-sharing, year-end bonuses and other welfare measures, and protects the legitimate rights and interests of employees in accordance with the Labor Standards Law and other related regulations, provides complaints channels for employees, and set up a comprehensive online documentary management system that lists up various rights and obligations of employees and welfare items to regularly review the content of welfare and protect the rights and interests of employees.</p> <p>3. Investor relations: improve the transparency of operations, strive for the accuracy, completeness and real-time disclosure of information; stress corporate governance, formulate and disclose corporate governance-related codes; set up a spokesperson system, which is responsible for handling shareholder's suggestions and ensuring shareholder equality. The company website contains investor mailboxes and spokesperson contact information to maintain a healthy and harmonious relationship between the company and shareholders.</p> <p>4. Supplier relationship: The company has established Supplier Management Methods to ensure that the delivery time, quality and price of suppliers meet the company's needs, so that can keep a good relationship between each other.</p> <p>5. Rights of interested stakeholders: respect intellectual property rights, stress relationships with customers, and abide by laws and regulations.</p> <p>6. Implementation situation of risk management policies and risk measurement standards: The company adopts different strategies for different risks, formulates various internal regulations, and conducts risk assessment and management.</p> <p>7. Implementation situation of customer policies; maintain stable and good relations.</p> <p>8. The company's purchase of liability insurance for directors; the company has purchased liability insurance for all directors of USD 3 million since May 2018, and it has been upgraded to USD 5 million in 2023.</p>	None
<p>9、Please explain the improved situation regarding the corporate governance evaluation results issued by the Corporate Governance Center of the Taiwan Stock Exchange Co., Ltd. in the most recent year, and propose priority of strengthening items and measures for those that have not improved. (Those which are not included in the assessed company have no need to fill in) The 6th Corporate Governance Appraisal (2021 appraisal year) The improvement of the company's unscored items is described as follows: The Company expects to strengthen its corporate governance as follows: 1. The interim financial report has been approved by the Audit Committee and presented to the Board of Directors for discussion and resolution. 2. To establish an information security risk management framework, formulate an information security policy, specific management Solutions, and allocate resources for information security management, and disclose this information on the company's website or in the annual report. 3. The Company's website and annual report disclose various employee welfare measures, retirement systems, and their implementation status.</p>				

Note 1: Regardless of whether the operation status is checked "Yes" or "No", it should be stated in the summary description column.

2-3-4 Composition, Responsibilities and Operations of the Remuneration Committee

1. Information Regarding the Members of the Remuneration Committee

Criteria Name	Professional Qualifications requirements and work experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Yen Tzong-Ming (Independent Director))	The Company's Remuneration Committee consists of three independent directors. Please refer to "2-1-4 Disclosure of Professional Qualifications of Directors and Independence of Independent Directors" in this annual report for the professional qualifications and experience of the members	1. Not the person, the person's spouse. Relative within the second degree of kinship, of a director, supervisor or an Employee of the company or any of its affiliates. 2. Not the person who holds shares, together with those held by the person's Spouse, minor children, or held by the person under others' names. In an aggregate of 0% of the total number of issued shares of the company, 3. Not a director or supervisor of the company or any of its affiliates. 4. Not a professional who provides audits or commercial, legal, financial, accounting, or other related services with compensation within the past two years to UPEC or its affiliates.	1
Tang Peng-Chin (Independent Director))			1
Chang Zhi-Yuan (Independent Director))			1

Note 1: Please specify the relevant years of service, professional qualifications and work experience, and independence of each member of the Remuneration Committee in the form and, in the case of an independent director, provide a note stating the relevant information in Exhibit I (I) of Schedule 1 on page 47. Please indicate whether the member is an independent director or other (if the member is the convenor, please add a note).

Note 2: Professional Qualifications and Work Experience: Describe the professional qualifications and experience of the individual Remuneration Committee.

Note 3: Compliance with independence: describe the compliance with independence of the members of the salary and Remuneration Committee, including but not limited to whether I, my spouse and relatives within the second degree are directors, supervisors or employees of the company or its affiliated enterprises; The number and proportion of shares held by myself, spouse, second degree relatives (or in the name of others); whether to serve as a director, supervisor or employee of a company with a specific relationship with the Company (with reference to the provisions of subparagraphs 5-8, paragraph 1, Article 6 of the regulations on the establishment and exercise of functions and powers of the salary and Remuneration Committee of companies listed on the stock market or traded on the over-the-counter securities market); the amount of remuneration received for providing business, legal, financial, accounting and other services to the company or its affiliated enterprises in the last two years.

Note 4: Please refer to the best practice reference examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange for disclosure methods.

2. Operations of the Compensation Committee

(1) The Remuneration Committee composed of 3 members

(2) Office Term of Remuneration Committee : 6/26/2023~6/25/2026 , A total of 4 (A)

Remuneration Committee meetings were held in the previous period. The attendance record of the Remuneration Committee members was as follows:

Title	Name	Attendance in person (B)	By Proxy	Attendance rate in person (%) (B/A)(Note)	Remark
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Convener	Yen, Tzong-Ming	4	0	100	2023.06.26 Renewal
Member	Tang, Peng-Chin	4	0	100	2023.06.26 Renewal
Member	Chang Zhi-Yuan	4	0	100	2023.06.26 New
Other mentionable items:					
<p>1. If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (eg., the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None.</p> <p>2. Resolutions of the remuneration committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified:</p>					
Dates	Content of Motion	Results of the meeting		The Company's Handling of the Opinions of the Salary and Compensation Committee	
2024.03.12	<ul style="list-style-type: none"> Ratification proposal for the appointment of the President of subsidiary Action Asia Co., Ltd. The distribution of employees' and directors' compensation for fiscal year 2023. 	The case was approved as presented with no objection from the members present.		After the Remuneration Committee's deliberation, the contents of the report were submitted to the Board of Directors and approved by all the directors present.	
2024.05.10	<ul style="list-style-type: none"> Amendments to the "Regulations Governing the Payment of Remuneration to Directors and Functional Committees" of the Company. 				
2024.08.09	<ul style="list-style-type: none"> Proposal for the 2023 distribution of director remuneration for the Company. Subsidiary President's compensation adjustment proposal. 				
2024.11.08	<ul style="list-style-type: none"> Proposal for the appointment and compensation package for the Company's President. Employee Promotion and Compensation Proposal of the Company. 				

Note:

- (1) If a member of the Remuneration Committee leaves the Company prior to the end of the year, the date of departure shall be indicated in the Remarks column, and the actual attendance rate (%) shall be calculated based on the number of meetings of the Remuneration Committee and the actual attendance during the member's employment.
- (2) Before the end of the year, if there is a re-election of the salary and Remuneration Committee, the new and old members of the salary and Remuneration Committee shall be filled in, and the date of the former, new or re-election and re-election of the member shall be indicated in the remark column. The actual attendance rate (%) is calculated based on the number of meetings of the salary and Remuneration Committee and their actual

attendance during their employment.

2-3-5. Information on the members of the nomination committee and information on their operation: the company does not set up a nomination committee.

2-3-6-1 、 Fulfillment of ESG and Deviations from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies"

Evaluation Item	Implementation Status(Note1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Abstract Explant Item	
1 、 Does the company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies?		V	<p>In order to effectively promote the implementation of sustainable development, the Company established the Sustainable Development Committee, with the Chairman of the Board of Directors serving as the chairman of the Committee and assigning the Executive Secretary to be responsible for the promotion of the Company's sustainable development. The Committee is divided into the Corporate Governance Group, the Green Sustainability Group, and the Social Care Group with regard to the business functions of each department, which work together to co-ordinate and promote the sustainability-related matters. The Executive Secretary reports to the Chairman of the Board at least once a year on the results of the current year's implementation and formulates future directions.</p> <p>In March 2025, the Board of Directors approved the establishment of the "Sustainable Information Management Policy", which authorizes the Committee to formulate the direction, strategies and objectives of corporate sustainable development, to draw up relevant management policies and specific promotion plans, to track and review the effectiveness of the implementation of sustainable development, and to report the results of the audit of the internal control of sustainable information management to the Board of Directors on a regular basis every year by the Audit Office.</p> <p>The Board of Directors will provide timely advice and guidance to the management team's reports and strategic objectives in accordance with the</p>	None

Evaluation Item	Implementation Status(Note1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Abstract Explant Item	
			Company's situation, and the management will incorporate the Board's recommendations into the implementation objectives and make timely adjustments to achieve the effectiveness of the promotion of sustainable development.	
2、Does the company establish exclusively (or concurrently) dedicated first-line managers authorized by the board to be in charge of proposing the corporate social responsibility policies and reporting to the board?	V		<p>The Company (Data Boundary) follows the GRI Sustainability Reporting Guidelines for the selection of material topics. Based on the Company's own situation and with reference to industry reports, the Company selects 10 to 20 sustainable development issues, and at the same time makes reference to the issues of concern to stakeholders, and then discusses and evaluates the selection of material topics through the internal ESG Committee and the heads of departments, as well as in conjunction with outside experts, in order to categorize the risks that may be encountered in its operations into the following categories We classify the risks that may be faced in our operating activities into three aspects, namely, environment, employees and operation, and propose corresponding countermeasures according to each possible risk, adopting different strategies for different risks in order to minimize the risks.</p> <p>For the Company's risk management strategy, please refer to the Company's Sustainability Report, the Company's website at https://www.action.com.tw/investor/?recordId=57, Action Electronics Co., LTD./Investor Corner/Corporate Governance.</p>	None
3、Environmental issues (1) Does the company establish proper environmental	V		(I) The company's home appliance products are entrusted to logistics companies for delivery. In addition to the delivery timeliness, in order to	None

Evaluation Item	Implementation Status(Note1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Abstract Explant Item	
<p>management systems based on the characteristics of their industries?</p> <p>(2) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?</p>	V		<p>effectively prevent and control environmental pollution, logistics companies are required to adhere to high-quality management models on KPI and SOP and pay attention to environmental cleanliness.</p> <p>(II) In recent years, energy shortage, man-made damage to the ecological environment and the carbonization of the earth have become increasingly serious. The Company continues to promote energy saving and carbon reduction measures to cope with the impact of environmental changes.</p> <p>1.Introduction of energy-saving office equipment: Energy-saving and high-efficiency LED lighting fixtures are used, and heat-sensor lighting devices are installed in public areas and offices to effectively reduce electricity consumption. Air conditioning and lighting equipment are switched off daily at work and during lunch break to avoid unnecessary energy waste.</p> <p>2.Resource Utilization and Recycling</p> <p>(1) Office resource reuse: The office can recycle and disassemble and reuse resources, including information computer equipment and parts, and give them to social welfare organizations for recycling to reduce ecological load.</p> <p>(2) Recycling of packaging materials and the use of green packaging materials, classified and managed according to the nature of packaging materials, the empty cartons after the incoming goods are also recycled for use in the outgoing packaging to reduce ecological damage to the environment.</p>	None
<p>(3)Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to</p>	V		<p>(III) The Company assesses the potential risks and opportunities of climate change for current and future businesses, and adopts climate-related issues response to reduce the risks in step-by-step improvements.</p>	None

Evaluation Item	Implementation Status(Note1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Abstract Explant Item	
<p>counter climate change issues?</p> <p>(4) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?</p>		V	<p>(IV) In accordance with the sustainable development action plan for listed companies, the Company will disclose in 2026 information on the 2025 individual inventory of greenhouse gases of the parent company, in 2027 information on the 2026 inventory of greenhouse gases of the Consolidated Company, and in 2027 the greenhouse gases reduction targets, strategies, and specific action plans for the year 2026 as the base year. Currently, the measures for greenhouse gas emissions, water consumption, and total weight of waste are as follows:</p> <ol style="list-style-type: none"> 1. Adjust the air conditioner and set the constant temperature at 26 degrees according to the season to reduce the electrical loading. The company colleagues can turn off the computer, air conditioner and lighting power at will. 2. All the office lighting use LED, which reduces the light heat and can achieve the purpose of energy saving. 3. Advocate employees to use the stairs frequently instead of elevators. 4. Water saving measures: The water supply device is equipped with a frequency converter to stabilize the water pressure, and the water saving valve is used to effectively reduce unnecessary water waste. 5. Others: Continue to promote the Online Document Management System, reduce the amount of paper used, and use more recycled paper. 	None
<p>4 - Social issues</p> <p>(1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</p>	V		<p>(I) The company complies with labor-related laws and regulations and follows international human rights conventions, and has working rules and related personnel management regulations, covering gender</p>	None

Evaluation Item	Implementation Status(Note1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Abstract Explant Item	
(2) Does the company have reasonable employee benefit measures (including salaries, leave, and other benefits), and do business performance or results reflect on employee salaries?	V		equality, working rights, and prohibition of any illegal discrimination and other human rights protection regulations. (II) The company has working rules and relevant personnel management regulations, covering basic wages, working hours, leave entitlements, pension payments, labor and health insurance benefits, occupational accident compensation, maternity leave (paternity leave), and parental leave for employees hired by the Company, all in compliance with the relevant provisions of the Labor Standards Act. As of December 31, 2024, female employees constituted 42% of the Company's workforce, while female executives accounted for 9%. The Company establish the Employee Welfare Committee which is operated by the elected employees to handle various welfare matters; the Company's remuneration policy is based on personal ability and the performance to the Company's contribution.	None
(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	V		(III) The company provides employees a safe and secure working environment, and does comply with relevant laws and regulations, including the "Labor Safety and Health Law" and "Firefighting Management Measures", etc., and formulates related work rules to prevent occupational disasters, The Company did not have any cases of occupational accidents or fires in 2024.; regularly (twice a year) hold the exercises of disaster emergency response according to fire control laws, handle all employees' health checks, and organize employee tours, etc. The company has set up an Employee Welfare Committee responsible for handling various welfare measures and subsidies for employees. The company also handles labor insurance, national health insurance and group insurance in accordance with the law to protect the rights and interests of employees and fully support the balanced development of their bodies, minds, and souls.	None
(4) Does the company provide its employees with career development and training sessions?	V		(IV) The company takes long-term talent cultivation as the key, and will plan and arrange various internal and external training programs based on organizational needs, departmental needs and individual needs of employees, to improve and update employees' knowledge and skills, and to	None

Evaluation Item	Implementation Status(Note1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Abstract Explant Item	
(5) Do the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer protection and grievance procedure policies implemented?	V		<p>establish abundant human capital. The development of career ability, taking into account the cultivation of core professional ability and the balanced development of employees' body, mind, and soul.</p> <p>(V) The Group's subsidiaries in Shenzhen and Malaysia are engaged in the production and manufacturing of automotive electronic products and have obtained ISO 9001, ISO 14000 and ISO 45001 certifications for corporate environmental management system and occupational safety and health management system.</p> <p>The production plants of production are operated according to the prescribed management system, which effectively improves the replacement and improvement of equipment, energy saving, and enhances the overall improvement energy.</p> <p>In order to protect the rights and interests of customers, the company has set up a maintenance service station contact window, an email address, and a stakeholder section to provide a channel for customers to enquire, complain or suggest factories, and the company upholds the principle of honesty and trust to handle and give feedback appropriately to protect the rights and interests of customers. There is also product liability insurance to protect consumer rights.</p>	None
(6) Does the company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational health and safety, or labor and human rights? If so, describe the results.	V		<p>(VI) The company has set up a "Supplier Control Procedure" for the management of suppliers, which focuses on ensuring quality and product safety, and conducts regular and irregular audits on all suppliers with transactions, quality management and hazardous substance management. Assess the environmental protection, safety and health management system and performance of important suppliers, and use the company's</p>	None

Evaluation Item	Implementation Status(Note1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Abstract Explant Item	
			influence to promote environmental protection and safety management on the company's major suppliers through the management of the supply chain to ensure that the suppliers comply with environmental protection, Safety and health related laws and regulations.	
5、Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as corporate Sustainable Development reports? Do the reports above obtain assurance from a third party verification unit?	V		The "Sustainability Report" has been prepared in accordance with the Sustainability Reporting Standards issued by GRI, the Global Sustainability Reporting Initiative, and the foregoing report has not been confirmed or warranted by a third-party certifying entity.	None
6、Describe the difference, if any, between actual practice and the corporate social responsibility principles, if the company has implemented such principles based on the Corporate Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies: None				
7、Other useful information for explaining the status of corporate Sustainable Development practices: None				

Note 1: If the operational status is checked "Yes," please explain the important policies, strategies, measures and implementations adopted. If the operational status is checked "No," please explain the reasons and explain the plan to adopt related policies, strategies and measures in the future.

Note 2: The principle of materiality refers to those who have significant environmental, social and corporate governance issues that have a significant impact on the company's investors and other stakeholders

Note3: For disclosure methods, please refer to the Best Practice Reference Examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange.

2-3-6-2. Climate-related information:

Item	Enforcement situation
1. describe the Board of Directors' and management's oversight and governance of climate-related risks and opportunities.	In order to cope with the high degree of climate uncertainty and rapid changes in policies and markets, and to grasp and estimate the possible impacts of climate change in a timely manner, the Company convenes senior executives from various departments from time to time to identify major climate risks and opportunities. At the same time, we also further evaluate the risks that floods, droughts, typhoons and high temperatures may bring to each of our operating locations, so that we can grasp the climate changes in the

Item	Enforcement situation																								
	<p>external environment and market dynamics, and more comprehensively consider the overall strategic planning of our operations.</p> <p>In March 2025, the Board of Directors of the Company approved the establishment of the “Sustainable Information Management Regulations”, under which the Sustainable Development Committee formulates the direction, strategies and objectives of the Company's sustainable development, draws up relevant management policies and specific promotion plans, and tracks and reviews the effectiveness of the implementation of sustainable development.</p>																								
<p>2. Describe how the identified climate risks and opportunities will affect the business, strategy, and finances of the organization (short, medium, and long term).</p>	<p>(1) Risks and opportunities:</p> <table border="1" data-bbox="689 533 2087 1422"> <thead> <tr> <th data-bbox="689 533 855 600"></th> <th data-bbox="855 533 1160 600">Risk categories and opportunity</th> <th data-bbox="1160 533 1422 600">Short-term (1~3 years)</th> <th data-bbox="1422 533 1818 600">Medium and long term (3~6 years)</th> <th data-bbox="1818 533 2087 600">Long-term (more than 6 years)</th> </tr> </thead> <tbody> <tr> <td data-bbox="689 600 855 995">Risk</td> <td data-bbox="855 600 1160 995"> <p>Transformation Risks Risks arising from focusing on the transition to a low carbon economy. Transformation risks include policy, legal, technology, market and reputational risks.</p> </td> <td data-bbox="1160 600 1422 995"> <ul style="list-style-type: none"> Domestic regulations energy tiering efficiency improvements, some products may face revisions or phase-outs. Policies and regulations reinforce emission reporting obligations. </td> <td data-bbox="1422 600 1818 995"> <ul style="list-style-type: none"> Changes in consumer demand and preferences. Transformation to low carbon emission technologies. Insufficient climate response actions, resulting in a decline in brand reputation. </td> <td data-bbox="1818 600 2087 995">Trend of net zero emission.</td> </tr> <tr> <td data-bbox="689 995 855 1259"></td> <td data-bbox="855 995 1160 1259"> <p>Physical Risks Immediate physical risks arise from weather-related events such as storms, floods, droughts or heat waves.</p> </td> <td data-bbox="1160 995 1422 1259">Extreme weather causes damage to operating assets.</td> <td data-bbox="1422 995 1818 1259"> <ul style="list-style-type: none"> Unstable power supply due to climate change, resulting in unsafe operating conditions and, in severe cases, possible service interruptions. Extreme weather causing shortages of raw materials or cost increases. </td> <td data-bbox="1818 995 2087 1259">Rising average temperatures exacerbate the effects of extreme weather.</td> </tr> <tr> <td data-bbox="689 1259 855 1422">Opportunity</td> <td data-bbox="855 1259 1160 1422">Positive effects on individuals due to climate change.</td> <td data-bbox="1160 1259 1422 1422"> <ul style="list-style-type: none"> R&D and innovation of new low-carbon products and services. </td> <td data-bbox="1422 1259 1818 1422"> <ul style="list-style-type: none"> Extreme climate increases the need for high-performance goods. Enhance resource efficiency and strengthen energy conservation </td> <td data-bbox="1818 1259 2087 1422">Full disclosure of emissions and the effectiveness of reductions will help enhance corporate</td> </tr> </tbody> </table>						Risk categories and opportunity	Short-term (1~3 years)	Medium and long term (3~6 years)	Long-term (more than 6 years)	Risk	<p>Transformation Risks Risks arising from focusing on the transition to a low carbon economy. Transformation risks include policy, legal, technology, market and reputational risks.</p>	<ul style="list-style-type: none"> Domestic regulations energy tiering efficiency improvements, some products may face revisions or phase-outs. Policies and regulations reinforce emission reporting obligations. 	<ul style="list-style-type: none"> Changes in consumer demand and preferences. Transformation to low carbon emission technologies. Insufficient climate response actions, resulting in a decline in brand reputation. 	Trend of net zero emission.		<p>Physical Risks Immediate physical risks arise from weather-related events such as storms, floods, droughts or heat waves.</p>	Extreme weather causes damage to operating assets.	<ul style="list-style-type: none"> Unstable power supply due to climate change, resulting in unsafe operating conditions and, in severe cases, possible service interruptions. Extreme weather causing shortages of raw materials or cost increases. 	Rising average temperatures exacerbate the effects of extreme weather.	Opportunity	Positive effects on individuals due to climate change.	<ul style="list-style-type: none"> R&D and innovation of new low-carbon products and services. 	<ul style="list-style-type: none"> Extreme climate increases the need for high-performance goods. Enhance resource efficiency and strengthen energy conservation 	Full disclosure of emissions and the effectiveness of reductions will help enhance corporate
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Item	Enforcement situation															
			<ul style="list-style-type: none"> Retirement and replacement of high-efficiency products for enterprises or projects in response to international trends. 	measures. reputation.												
(2) Risks and opportunities related to climate change that may cause financial impacts, and the strategies to cope with such impacts :																
<table border="1"> <thead> <tr> <th data-bbox="696 534 1133 564">(R)Risk/(O)Opportunity</th> <th data-bbox="1133 534 1641 564">Financial impact -/+</th> <th data-bbox="1641 534 2040 564">Response strategy</th> </tr> </thead> <tbody> <tr> <td data-bbox="696 564 1133 831"> R: Some products may face revision or replacement due to the improvement of energy classification efficiency in domestic regulations. O: In response to the international trend, enterprises may plan to replace old products with new ones with higher efficiency. </td> <td data-bbox="1133 564 1641 831"> -Increase in cost of goods sold due to product revamping or replacement. + Increase in revenue due to product replacement by customers in response to international trends. </td> <td data-bbox="1641 564 2040 831"> Inventory levels are adjusted according to international trends and customer demand. </td> </tr> <tr> <td data-bbox="696 831 1133 1193"> R: Policies and regulations reinforce emission reporting obligations. R: Transition to low carbon technologies. R: Insufficient climate action, resulting in declining brand reputation. R: Net-zero emissions trend. O: Full disclosure of emissions and reductions can help enhance corporate reputation. </td> <td data-bbox="1133 831 1641 1193"> -Increased operating costs due to net-zero emissions and transition to low-carbon operations. -Inadequate climate response to meet stakeholder expectations, resulting in goodwill and lower revenue. + Increased brand reputation, fundraising and brand awareness, resulting in lower capital costs and higher revenue. </td> <td data-bbox="1641 831 2040 1193"> <ul style="list-style-type: none"> Disclosure of information on carbon emissions, water resources, etc. in compliance with the law. Research on low carbon operation methods and enhancement of energy saving measures. </td> </tr> <tr> <td data-bbox="696 1193 1133 1289"> R: Damage to operating assets due to extreme weather. </td> <td data-bbox="1133 1193 1641 1289"> -Damage to operating assets, which increases operating expenses. </td> <td data-bbox="1641 1193 2040 1289"> <ul style="list-style-type: none"> Assess the location of operating asset impairments and conduct risk mitigation measures. </td> </tr> </tbody> </table>					(R)Risk/(O)Opportunity	Financial impact -/+	Response strategy	R: Some products may face revision or replacement due to the improvement of energy classification efficiency in domestic regulations. O: In response to the international trend, enterprises may plan to replace old products with new ones with higher efficiency.	-Increase in cost of goods sold due to product revamping or replacement. + Increase in revenue due to product replacement by customers in response to international trends.	Inventory levels are adjusted according to international trends and customer demand.	R: Policies and regulations reinforce emission reporting obligations. R: Transition to low carbon technologies. R: Insufficient climate action, resulting in declining brand reputation. R: Net-zero emissions trend. O: Full disclosure of emissions and reductions can help enhance corporate reputation.	-Increased operating costs due to net-zero emissions and transition to low-carbon operations. -Inadequate climate response to meet stakeholder expectations, resulting in goodwill and lower revenue. + Increased brand reputation, fundraising and brand awareness, resulting in lower capital costs and higher revenue.	<ul style="list-style-type: none"> Disclosure of information on carbon emissions, water resources, etc. in compliance with the law. Research on low carbon operation methods and enhancement of energy saving measures. 	R: Damage to operating assets due to extreme weather.	-Damage to operating assets, which increases operating expenses.	<ul style="list-style-type: none"> Assess the location of operating asset impairments and conduct risk mitigation measures.
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Item	Enforcement situation		
	<p>R: Unstable power supply due to climate change, resulting in unsafe operating conditions and, in severe cases, possible service interruptions.</p> <p>R: Shortage of raw materials or rising costs due to extreme weather.</p> <p>O: Enhancement of resource efficiency and energy conservation measures.</p>	<p>-Unstable power supply, resulting in unsafe operating conditions and lower revenues.</p> <p>-Extreme weather causes raw material shortages and cost increases.</p> <p>+ Enhancement of equipment performance can save operating costs.</p>	<ul style="list-style-type: none"> • Monitor climate-related news and adjust operational configurations. • Understand suppliers' processes or operations to assess the impact of climate change on suppliers.
	<p>R: Rising average temperatures exacerbate the impacts of extreme weather.</p> <p>O: R&D and innovation of new low-carbon products and services.</p> <p>O: Increased need for high-performance goods due to extreme climate.</p>	<p>-Higher energy costs and higher operating costs due to extreme weather.</p> <p>+ Higher demand for high-performance goods, resulting in higher revenues.</p>	<ul style="list-style-type: none"> • Research on low carbon operation methods and enhancement of energy saving measures. • Provide customers with high-efficiency products.
<p>3. Describe the financial impacts of extreme climate events and restructuring actions.</p>	<p><u>Financial Impact of Extreme Weather Events</u></p> <p>Heavy rainfall or typhoons may prevent employees from going to work and cause temporary suspension of operations, which may result in higher costs and lower revenues.</p> <p>Unstable power supply due to climate change may lead to insecurity in operation, which may lead to service interruption and decrease in revenue in severe cases.</p> <p><u>Financial Impact of Transformation Actions</u></p> <p>As a result of the improvement of energy efficiency in domestic regulations, some products may face revision or replacement, which will increase the cost of goods sold.</p> <p>Increase in operating costs for net-zero emissions and low-carbon operations.</p>		
<p>4. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system.</p>	<p>The Board of Directors is the highest decision-making body for risk control and oversees the Company's risk management through the Sustainable Development Committee. In order to effectively promote the implementation of sustainable development, the Company established the Sustainable Development Committee in 2022, with the Chairman of the Board as the chairman and assigned the executive secretary to be responsible for the promotion of the Company's sustainable development. The Sustainable Development Committee is divided into the Corporate Governance Group, the Green Sustainability Group and the Social Care Group, which work together to co-ordinate and promote the sustainability-related matters (including risk management). The Executive Secretary reports to the Chairman of the Board at least</p>		

Item	Enforcement situation
	<p>once a year on the results of the current year's implementation and formulates future directions. In March 2025, the Board of Directors of the Company approved the “Regulations on the Management of Sustainability Information”, under which the Sustainability Committee formulates the direction, strategies and objectives of corporate sustainability, draws up relevant management policies and specific promotion plans, and tracks and reviews the effectiveness of the implementation of sustainable development.</p> <p>The process of identifying and evaluating the Company's climate risk is as follows:</p> <ol style="list-style-type: none"> 1. Climate risk identification: Each operating unit conducts risk identification based on the objectives and business practices of the unit to which it belongs. 2. Climate Risk Analysis: Each operating unit analyzes the risk value of the identified risk events, taking into account the integrity of the existing relevant control measures, past experience, and cases in the same industry, and analyzes the risk value in accordance with the probability of occurrence and the degree of impact of the risk events. 3. Climate risk assessment: Based on the results of the risk analysis, assess the risk level, and plan the follow-up risk response program by each operating unit. If the risk is assessed to be high, it should be listed as a priority concern item. 4. Climate Risk Response: Considering the company's resource allocation and cost-effectiveness, high-risk items will be implemented to prevent risky operations. 5. Risk supervision and review: The Corporate Governance Group will summarize the implementation status of high-risk items to the Sustainable Management Committee.
<p>5. If scenario analysis is used to assess the resilience to climate change risk, the scenarios, parameters, assumptions, factors analyzed, and major financial impacts should be described.</p>	<p>In accordance with the recommendations of TCFD and the characteristics of the industry, the Company conducts climate risk management in the four major aspects of governance, strategy, risk management, and targets and objectives, identifies potential significant risks of impact, and assesses the financial impact probability and scale of the impact for each risk factor, and discusses countermeasures.</p>
<p>6. If there is a transition plan for managing climate-related risks, describe the content of the plan, as well as the metrics and objectives used to identify and manage</p>	<p>In order to achieve net-zero emissions, the Company has strengthened its energy efficiency and increased its internal carbon reduction actions, which include the following:</p> <ol style="list-style-type: none"> 1. Adoption of high-efficiency air-conditioning equipment and lighting in the Company's office buildings or business locations. 2. Use electronic means to read board meeting materials instead of printing paper copies.

Item	Enforcement situation
physical and transition risks.	3. Continuously building new electronic forms instead of paper forms.
7. If internal carbon pricing is used as a planning tool, the basis for price setting should be specified.	Internal carbon pricing is an internal cost price set by a company for greenhouse gas emissions, which can be used to measure carbon risks and identify carbon opportunities. The Company has not yet implemented internal carbon pricing, and will formulate the necessary strategic planning based on the Company's specific situation before implementation.
8. If climate-related targets are set, information on the activities covered, the scope of greenhouse gas emissions, the planning period, and the progress achieved each year should be stated; if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and amount of carbon reduction credits or the amount of renewable energy certificates (RECs) offset should be stated.	Setting climate-related targets can help companies strategically reduce carbon emissions in response to climate change. In accordance with the sustainable development action plan for listed companies, the Company will disclose the 2025 individual inventory information of the parent company's greenhouse gas emissions in 2026, the 2026 inventory information of the consolidated company's greenhouse gas emissions in 2027, and the greenhouse gas emissions reduction targets, strategies, and specific action plans for the base year of 2026 in 2027.
9. Greenhouse Gas Inventory and Confirmation of Status and Reduction Targets, Strategies and Specific Action Plans (also fill in 1-1 and 1-2).	In accordance with the action plan for sustainable development of listed companies, the Company will disclose in 2026 the information on the individual inventory of greenhouse gases of the parent company in 2025, the information on the inventory of greenhouse gases of the Consolidated Company in 2026 in 2027, and the greenhouse gas reduction targets, strategies, and specific action plans for the year 2026 as the base year in 2027.

2-3-7 The implementation status of integrity management and the differences and reasons for the integrity management code of listed companies

Evaluation Items	Operation status (Note 1)			The differences and reasons for the integrity management code of listed companies
	Yes	No	Summary description	
<p>I. Formulate integrity operation policies and projects</p> <p>(I) Does the company formulate an integrity operation policy approved by the board of directors, and clearly specify the integrity operation policy and practice in regulations and external documents, as well as the commitment of the board of directors and senior management to actively implement the operation policy?</p> <p>(II) Whether the company has established a risk assessment mechanism for dishonest conduct, regularly analyzes and evaluates business activities with a higher risk of dishonest conduct in the business scope, and formulates a plan to prevent dishonest conduct, and at least covers the precautionary measures for each action in the second paragraph of Article 7 of the "Code of Corporate Integrity Management applied on the listed IPO and OTC corporate"?</p> <p>(III) Have the company set up operating procedures, behavior guidelines, punishment and appeal systems for violations in the plan to prevent dishonest behaviors, and implement thoroughly, and regularly review the plan before revision?</p>	V		(I) The company has not formulated the "Code of Integrity Operation". The company's business philosophy and policy: with "The six spirits of enthusiasm, character, service, action, innovation, and return, etc; the definition is full of ideas, love for work, self-discipline, rigorous pursuit of truth and perfect, achieve work goals whatever they set, consistent with words and deeds, and don't make excessive promises; face problems bravely, don't make false or untrue explanations or prevarication; abide by company regulations and social norms, and handle internal and external relations with high ethical standards." Integrity management Philosophy, senior management and the board of directors are responsible for supervision to create a sustainable business environment for the company.	No significant difference
	V		(II) The "Code of Ethical Conduct" formulated by the company requires that the ethical behavior of directors and managers prevent conflicts of interest, avoid opportunities for personal gain, confidentiality obligations, fair transactions, protect and appropriately use company assets, comply with laws and regulations, and encourage reporting any illegal or violation of the code of ethical conduct, disciplinary measures, etc., directors and managers lead all staff to implement relevant regulations and regularly review the implementation status to implement the integrity management policy.	No significant difference
	V		(III) The company is committed to the establishment of corporate ethics and professional ethics, conceives for each other, creates a harmonious labor-management relationship with empathy, communicates labor-management opinions, formulates management methods and operating standards, and handles the dissatisfaction of relevant employees with punishment, improper management, suggestions and complaints of violations of relevant labor laws and regulations. In addition, employee's opinion box is set up to collect employee suggestions, expand communication, and safeguard the legitimate rights and interests of labor dispute parties based on the principles of legality, fairness, and timely handling.	No significant difference
<p>II. Implementing integrity management</p> <p>(1) Does the company assess the integrity records of its counterparties and specify the integrity behavior clauses in the contracts signed with the counterparties?</p> <p>(II) Does the company set up a special unit under the board of directors</p>	V		(1) The contracts signed by the company and counterparties for transaction are based on the principle of good faith. If there is any violation, the agreement will ask the manufacturer to compensate for punitive liquidated damages.	No significant difference
		V	(II) The company haven't set up a special unit but has professional managers to perform their duties as authorized, and has established a code of conduct for	

Evaluation Items	Operation status (Note 1)			The differences and reasons for the integrity management code of listed companies
	Yes	No	Summary description	
<p>to promote corporate integrity management, and regularly (at least once a year) report to the board of directors regarding the integrity management policies, plans for preventing dishonest behavior, and supervision and implementation?</p> <p>(III) Does the company formulate policies to prevent conflicts of interest, provide appropriate channels for appeal, and implement them thoroughly?</p> <p>(IV) Whether the company has established an effective accounting system and internal control system for the implementation of integrity operation, and the internal audit unit draws up relevant audit plans based on the assessment results of the risk of dishonest behaviors, and checks the compliance situation of the plan for preventing dishonest behaviors accordingly, or entrust an accountant to perform the audit?</p> <p>(V) Does the company regularly organize internal and external education and training on integrity management?</p>	V		<p>employees to implement the requirements of integrity operation, and the management team regularly reports the implementation status to the board of directors.</p> <p>(III) For those who possess interests and rights are dealing with the business, must inform the supervisors and avoid improper personal gain in advance to prevent conflicts of interest; when a board meeting has a conflict of interest with the directors, the directors shall withdraw from the meeting and not participate in the discussion and voting in accordance with the law.</p> <p>(IV) The Company's accounting system was formulated with reference to the Company Act, the Securities and Exchange Act, the Business Accounting Act, the International Financial Reporting Standards (IFRSs), the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and other relevant laws and regulations, and in accordance with the actual circumstances of the Company's business. The internal control system was formulated with reference to the "Guidelines Governing the Establishment of an Internal Control System by Public Companies" and other relevant regulations, and was put into practice. The Audit Department of the Board of Directors regularly reviews the compliance of the accounting system and internal control system and reports to the Board of Directors on a regular basis.</p> <p>(V) Organize education, training and publicity for employees to fully understand the company's determination, policies, prevention plans, and the consequences of violations of integrity. And formulate employee grievance management methods to ensure communication between employees and the company, and establish a harmonious labor relations, and build consensus.</p>	
<p>III. The operation of the company's whistleblowing system</p> <p>(I) Does the company formulate a specific whistleblowing and reward system, and establish a convenient reporting channel, and assign appropriate acceptance personnel to the reported object?</p> <p>(II) Has the company formulated standard operating procedures for the investigation of the reported matters, follow-up measures to be taken after the investigation is completed, and related confidentiality mechanisms?</p> <p>(III) Does the company take measures to protect the whistleblower</p>	V		<p>(I) Our company has a human resources email hr@action.com.tw for internal use and a stakeholder zone on the company website for external use. The human resources email is handled by the human resources unit, and the stakeholder zone is handled by the corporate governance team.</p> <p>(II) After receiving the report, if it involves statutory matters, the accepting unit will handle it in accordance with government laws and regulations. If it involves the company's employee code of conduct or employee honesty insurance, the human resources unit shall complete the investigation and execute relevant sanctions within one month of becoming aware of the situation. The company adopts a confidentiality mechanism for the identity of the whistleblower and the content of the report.</p> <p>(III) The company's measures to prevent the whistleblower from being improperly</p>	No difference

Evaluation Items	Operation status (Note 1)			The differences and reasons for the integrity management code of listed companies
	Yes	No	Summary description	
from being improperly treated as a result of the report?			treated as a result of the report.	
IV. Strengthen information disclosure Does the company disclose the content and promotion effect of its code of integrity management on its website and Market Observation Post System (MOPS)?	V		At present, relevant information is disclosed on the public information platform of the Securities and Futures Bureau, and relevant information is disclosed according to laws and regulations.	No difference
V. If the company has its own code of integrity management based on the "Code of Integrity Management of Listed Companies", please state the difference between its operation and the code: The company has not yet formulated a code of integrity management, but there is no significant difference in the implementation of its business philosophy and policies in accordance with relevant regulations.				
VI. Other important information that helps to understand the company's integrity management operations: (such as the company's review and revision of the integrity management code, etc.): None				

Note: Regardless of whether the operation status is checked "Yes" or "No", it should be stated in the summary description column.

2-3-8、Other important information that is sufficient to enhance the understanding of the company's governance and operation conditions must be disclosed together:

Training and development status of directors, independent directors, and accounting officers:

Title	Name	Date of Training	Organizer	Course Name	Training Hours
Chairperson	Peng Ting-Yu	2024.03.13 2024.05.08 2024.10.23 2024.10.29	Greater China Financial and Economic Development Association, ITRI College	New Perspectives on Digital Transformation Global Economic Outlook for the Second Half of 2024 How the Board Ensures Sustainable Business Operations – Starting with Talent Discovery and Development. Introduction to Generative AI Applications	3
Director	Peng Chiun-Ping	2024.10.04 2024.10.29 2024.11.28	Securities & Futures Institute ITRI College Taiwan Project Management Association	2024 Insider Trading Prevention Awareness Session Introduction to Generative AI Applications Operation and Evaluation of the Corporate Governance Performance Management System	3
Director	Liu Chiu-Chi	2024.10.04 2024.11.28	Securities & Futures Institute Taiwan Project Management	2024 Insider Trading Prevention Awareness Session	3

Title	Name	Date of Training	Organizer	Course Name	Training Hours
			Association	Operation and Evaluation of the Corporate Governance Performance Management System	
Director	Yeh Li-Wei	2024.05.30~ 2024.05.31 2024.10.29	Commerce Development Research Institute ITRI College	Pricing Strategy and Profit Management Course Introduction to Generative AI Applications	9
Director	Peng Hsiu-Yun	2024.05.30~ 2024.05.31 2024.10.29	Commerce Development Research Institute ITRI College	Pricing Strategy and Profit Management Course Introduction to Generative AI Applications	3
Director	Wen Yu-Mei	2024.09.18	Accounting Research and Development Foundation	2024 ESG Summit: Net Zero in All Aspects, A Sustainable Future Ahead	3
Director	Chao Teng-Pang	2024.09.06 2024.11.28	Securities & Futures Institute Taiwan Project Management Association	2024 Insider Trading Prevention Awareness Session Operation and Evaluation of the Corporate Governance Performance Management System	6
Juridical Person Director Representative	Tsai Jin-Wan	2024.09.06 2024.10.29 2024.11.22	Securities & Futures Institute ITRI College	2024 Insider Trading Prevention Awareness Session Introduction to Generative AI Applications 2024 Internal Stakeholder Equity Trading Compliance Seminar	9
Independent Director	Yen Tzong-Ming	2024.08.13 2024.09.20 2024.10.29	Taiwan Science Park Science Industry Association Securities & Futures Institute ITRI College	A Comprehensive View of ESG Governance – From Knowledge to Action 2024 Insider Trading Prevention Awareness Session Introduction to Generative AI Applications	6

Title	Name	Date of Training	Organizer	Course Name	Training Hours
Independent Director	Tang Peng-Chin	2024.09.03 2024.09.06 2024.10.29	Independent Director Association Taiwan Securities & Futures Institute ITRI College	From ESG Transformation to Impact Investing and Business Opportunity Capture 2024 Insider Trading Prevention Awareness Session Introduction to Generative AI Applications	6
Independent Director	Chang Zhi-Yuan	2024.09.03 2024.10.17 2024.10.29	Independent Director Association Taiwan ITRI College	From ESG Transformation to Impact Investing and Business Opportunity Capture Embracing AI and Sustainable Transformation: Executive Compensation Management and Talent Development Introduction to Generative AI Applications	6
Chief Governance Officer	Chelsea Chen	2024.10.18 2024.11.19 2024.11.21 2024.11.28	Securities & Futures Institute Taiwan Project Management Association	2024 Insider Trading Prevention Awareness Session Sustainable Development Strategies and Plans for Listed Companies Relevant Regulations the Board Should Pay Attention to in the ESG Wave Operation and Evaluation of the Corporate Governance Performance Management System	12
Chief Accounting Officer	May Huang	2024.11.25~2024.11.26	Accounting Research and Development Foundation	Ongoing Training Program for Issuers, Securities Firms, and Stock Exchange Accounting Officers	12

2-3-9、Matters that should be disclosed in the implementation of the internal control system:

1. Statement of Internal Control

Action Electronics Co., Ltd.
Declaration of Internal Control System

Date: March 14, 2025

Based on the results of self-check on the internal control system of the company in 2024, we hereby declare as follows:

- I. The company is sure that the establishment, implementation and maintenance of the internal control system is the responsibility for board of directors of the company and managers, and the company has established this system. Its purpose is to achieve the objectives of operation effectiveness and efficiency (including profit, performance and asset safety, etc.), reporting reliability, timeliness, transparency, compliance with relevant laws and regulations, and provide reasonability to ensure.
- II. The internal control system has its inherent limitations. No matter how perfect the design is, an effective internal control system can only provide a reasonable guarantee for the achievement of the above three objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. However, the company's internal control system has a self-monitoring mechanism. Once the defect is identified, the company will take corrective action.
- III. The company judges whether the design and implementation of the internal control system are effective in accordance with the judgment items of the effectiveness of the internal control system stipulated in the "Handling Guidelines for the Establishment of an Internal Control System by Public Offering Companies" (hereinafter referred to as the "Handling Guidelines"). The judgment items of the internal control system adopted in the "processing criteria" are based on the process of management control, which divides the internal control system into five components: 1. control environment, 2. risk assessment, 3. control operations, 4. Information and communication, and 5. Supervision. Each component includes several items. For the aforementioned items, please refer to the "Handling Guidelines".
- IV. The company has adopted the above-mentioned internal control system judgment items to check the effectiveness of the design and implementation of the internal control system.
- V. Based on the inspection results of the preceding paragraph, the company believes that the company's internal control system (including supervision and management for subsidiaries) as of December 31, 2024, includes understanding the effectiveness of operations and the extent to which the efficiency targets are achieved. The design and implementation of the internal control system that reporting is reliable, timely, transparent and complied with relevant laws and regulations are effective, which can reasonably ensure the achievement of the above objectives.
- VI. This statement will become the main content of the company's annual report and public prospectus, and will be published. If there are false or concealed content in the above disclosure, it will involve legal liabilities under Article 20, Article 32, Article 171, and Article 174 of the Securities Exchange Law.
- VII. This statement was approved by the company's board of directors on March 14, 2025. Among the 11 directors present, 0 of them held objections, and all of them agreed with the content of this statement and made this statement.

Action Electronics Co., Ltd

Chairman of the board : Peng,Ting Yu

General Manager : Peng Hsiu-Yun

2. If an accountant is entrusted to review the internal control system, the accountant's review report shall be disclosed: none.

2-3-10、Important resolutions of the shareholders meeting and board of directors in the most recent year and as of the printing date of the annual report:

1. (1) Important Resolutions of the Annual General Meeting of Shareholders

Date	Important Resolutions	Status
2024.06.14	Approval of the 2023 Business Report and Financial Statements.	Approved according to the original motion.
	Approval of the 2023 Profit Distribution Plan.	Cash dividends will be distributed on August 6, 2024.

2. Important resolutions of the board of directors

Date	Name of the meeting	Important Resolutions
2024.03.12	1st Board Meeting in 2024	<ol style="list-style-type: none"> 1. Proposal for the approval of the 2023 Business Report, consolidated financial statements, and individual financial statements for the Company. 2. Proposal for the 2023 distribution of profits for the Company. 3. Proposal for the 2023 distribution of employee compensation and director remuneration for the Company. 4. Matters concerning the convening of the 2024 Shareholders' Meeting for the Company. 5. Proposal for the 2024 Business Plan for the Company. 6. Proposal for the appointment and removal of the Company's spokesperson. 7. Extension proposal for bank financing for the first half of 2024 for the Company. 8. Loan proposal to subsidiary "Far Year Construction Co., Ltd." by the Company. 9. Ratification proposal for the appointment of the President of subsidiary Action Asia (Shenzhen) Co., Ltd. 10. 2023 "Internal Control System Declaration" for the Company.
2024.05.10	2nd Board Meeting 2024	<ol style="list-style-type: none"> 1. Proposal to engage PwC Taiwan for auditing the financial statements of all parent and subsidiary companies in the Group for 2024, and evaluation of the accountants' independence and suitability. 2. Amendments to the "Rules and Regulations Governing the Organization of the Audit Committee" of the Company. 3. Amendments to the "Regulations Governing the Payment of Remuneration to Directors and Functional Committees" of the Company. 4. Appointment of the Company's head of audit.
2024.08.09	3rd Board Meeting in 2024	<ol style="list-style-type: none"> 1. Proposal for the 2023 distribution of director remuneration for the Company. 2. Subsidiary President's compensation adjustment proposal. 3. Extension proposal for bank financing for the second half of 2024 for the Company. 4. The Company plans to participate in the loan proposal to its subsidiary,

		Far Year Construction Co., Ltd.
2024.11.08	4th Board Meeting in 2024	1. The Company plans to participate in the loan proposal to its subsidiary, Far Year Construction Co., Ltd. 2. Proposal for the appointment and compensation package for the Company's President. 3. Employee Promotion and Compensation Proposal of the Company. 4. Amendment proposal to the "Internal Control System" and "Internal Audit Implementation Regulations" of the Company. 5. The Company's Audit Plan for the Fiscal Year 2025.
2025.01.13	1st Board Meeting in 2025	1. Proposal for the 2023 president remuneration and employee compensation of the Company 2. Subsidiary's President's 2024 Year-End Bonus Distribution Proposal
2025.03.14	2nd Board Meeting in 2025	1. Proposal for the approval of the 2024 business report, consolidated financial statements, and individual financial statements for the Company. 2. Proposal for the 2024 distribution of profits for the Company. 3. Proposal for the 2024 distribution of employee compensation and director remuneration for the Company. 4. Amendment proposal to the "Articles" of the Company. 5. Matters concerning the convening of the 2024 Shareholders' Meeting for the Company. 6. Proposal to Lift the Non-Compete Restrictions on Directors 7. Proposal for the 2025 Business Plan for the Company. 8. The Company's Proposal for a NT\$300 Million Credit Facility 9. 2024 "Internal Control System Declaration" for the Company 10. The Company's Proposal for the Formulation of the "Sustainable Information Management Guidelines"

2-3-11、Major Issues of Record or Written Statements Made by Any Director or Supervisor Dissenting to Important Resolutions Passed by the Board of Directors in the recent years and as of the date of printing of Annual report: None

2-4、Information Regarding Independent Auditor:

2-4-1、CPA's Fee

Unit : NT\$ thousand

Accounting Firm	Name of CPA	Audit Period	Audit Fee	Non-audit Fee (Note 2)	Total	Remark
PricewaterhouseCooper Taiwan	Wu Ren-Jie Lin Yahui	2024.01.01~ 2024.12.31	5,460	790	6,250	

Note1 : If the Company has changed CPA or Accounting Firm during the current fiscal year, the company shall report the information regarding the audit period covered by each CPA and the replacement reason in the remark column: None.

Note 2: Non-audit public fees mainly consist of NT\$1,120 thousand for audits on tax returns and NT\$180 thousand for other services.

2-4-2、If the CPA Firm Changes, and the Audit Fee Paid in the Year of such Change Is Reduced from the Audit Fee of the Previous Year, the Amounts of the Audit Fees Before and After such Change and the Reason of such Change Should Be Disclosed: None

2-4-3、If the Audit Fee Is Reduced by More than 15% from Last Year, the Amount, Ratio, and Reason for the Reduction of the Audit Fee Should Be Disclosed: None

2-5、Replacement of CPA: None.

2-6、The Company's Chairman, Chief Executive Officer, Chief Financial Officer, and managers in charge of its finance and accounting operations did not hold any positions in the Company's independent auditing firm or its affiliates during 2024.

2-7、Status of Transfer of Stock and Changes in Equity Pledge of Directors, Supervisors, Managers and Shareholders Holding More Than 10% of Shares in the Latest Year and as of the Date of Printing of Annual Report:

(1) Changes in shareholding by Directors, Supervisors, Management team and major shareholders

Unit : Share

Title (Note1)	Name	2024		As of March.31.2025	
		Net Change in shareholding	Net Change in shares pledged	Net Change in shareholding	Net Change in shares pledged
Chairman	Peng, Ting-Yu	(9,000)	0	0	0
Director	Peng, Chiun-Ping	0	0	0	0
Director	Chao, Teng-Pang	0	0	0	0
Director	Liu, Chiu-Chi	0	0	0	0
Director、 General Manager	Peng Hsiu-Yun	0	0	0	0
Director	Wen, Yu Mei	45,000	0	0	0
Director	Shin Chuan Yuan Investment Co.,Ltd Representative: Tsai, Jin Wan	0 0	0 0	0 0	0 0
Director	Yeh Li-Wei	0	0	0	0
Independent Director	Tang, Peng-Chin	0	0	0	0
Independent Director	Chang Zhi-Yuan	0	0	0	0
Independent Director	Yen, Tzong-Ming	0	0	0	0

VP	Peng, Bo-Zhang	460,000	0	603,000	0
Senior Manager	Weng Ming-Hua	0	0	0	0
Accounting Officer	May Huang	0	0	0	0
Financial Officer	Vincent Weng	0	0	0	0
Head of Corporate Governance	Chelsea Chen	0	0	0	0

Note1 : Shareholders who hold more than 10% of the Company's shares are major shareholders. List separately

Note2 : Shares trading or shares pledged with the related parties shall fill in the table as follow

(2) Shares Trading with the related Parties

1. The equity transfer of the company, directors, and supervisors is done in the market, and there is no relationship with the counterparty of the equity transfer.
2. The company has no shareholders who hold more than 10% of the shares.

(3) Shares Pledged with the Related Parties

1. The pledge of equity of the company, directors and supervisors; as of March 31, 2025, Director Liu, Chiu-Chi the pledge of equity was 2,100,000 Share.
2. Shareholders who hold more than 10% of the company's shares; none.

2-8 Relationship among The Company's Top 10 Shareholders:

22.04.2025
Unit : Share : %

Name (Note1)	Shares Held		Share Helds By Spouse & Minor		Shares Held in the name of others		Relationship between the Company's top 10 shareholders who are either related parties, spouse, relatives within the second degree of Kinship. His/her/its name and relationship (Note3)		Remark
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Peng Chiun-Ping	20,689,303	7.46	5,187,000	1.87	—	—	Lee, Li Peng Ting-Yu TA PO Investment Limited Representative Peng, Bo-Zhang	Spouse Father & Daughter father & son	
TA PO Investment Limited Representative: Peng, Bo-Zhang	15,300,000	5.52	—	—	—	—	Peng Chiun-Ping Lee, Li Peng Ting-Yu	Father and Son mother and son Sister and Brother	

Hsu,Jin-Zhi	6,000,000	2.16	—	—	—	—	—	—	
Lee,Li	5,187,000	1.87	20,689,303	7.46	—	—	Peng Chiun-Ping Peng Ting-Yu TA PO Investment Limited Representative: Peng, Bo-Zhang	Spouse Mother & Daughter Mother & Son	
Liu, Chiu-Chi	5,101,000	1.84	3,043,000	1.13	—	—	Liu Kuan-bai	Father & Son	
Peng, Ting-Yu	4,322,983	1.56	—	—	—	—	Peng Chiun-Ping Lee,Li TA PO Investment Limited Tai Pak Investment Co. Representative Pang Pak Cheung Peng, Bo-Zhang	Father & Daughter Mother & Daughter Sister & Brother	
Liu Kuan-bai	3,125,000	1.13	—	—	—	—	Liu, Chiu-Chi	Father & Son	
Rechi Investment Co.,Ltd	4,548,718	1.64	Not applicable	Not applicable	—	—	—	—	
Wen Yu-Mei	2,301,000	0.83	—	—	—	—	—	—	
Chen Chi-Chuan	2,012,000	0.73	—	—	—	—	—	—	

Notes1: List all shareholders who ranks top 10 in shareholding and specify the names of institutions and representative separately

Note2 : The shareholding refers to total shares hold by in person, spouse, minors or in someone else's name

Note3 : According to Regulations Governing the Preparation of Financial Report by Securities Issuers, the relationships among the shareholders as disclosed before including judicial persons and nature persons shall be disclosed

2-9、Share Held by the Company, Directors, Supervisors, Managers and Companies Directly or Indirectly

Controlled by the Company and the Comprehensive Shareholding ratio based on Combined

Calculation:

Comprehensive shareholding ratio

December 31, 2024; Unit: Shares

Long-term Investments (Note)	Ownership by The Company		Ownership by Directors, Supervisors, Managers directly/indirectly owned subsidiaries		Total ownership	
	Shares	%	Shares	%	Shares	%

ACTION ASIA LIMITED	120,435,546	61.54%	75,278,052	38.46%	195,713,598	100.00%
ACTION INDUSTRIES (M) SDN. BHD.	-	-	-	100.00 %	-	100.00%
SHANGHAI ACTION TECHNOLOGY CO.,LTD	-	-	-	100.00 %	-	100.00%
Shanghai Yige Trading Co., Ltd.	-	-	-	100.00 %	-	100.00%
ACTION ASIA (SHENZHEN) CO., LTD	-	-	-	100.00 %	-	100.00%
DEDE TECHNOLOGY (SHENZHEN)CO.,LTD	-	-	-	40.00%	-	40.00%
Action Intelligent (Shenzhen) Co.,Ltd	-	-	-	100.00 %	-	100.00%
ASD ELECTRONICS LIMITED	-	-	-	100.00 %	-	100.00%
ALMOND GARDEN CORP.	12,705,000	100.00%	-	-	12,705,000	100.00%
REALISE TECH- SERVICE.,LTD	6,000,000	100.00%	-	-	6,000,000	100.00%
Far Year Construction Co.,Ltd	40,000,000	100.00%			40,000,000	100.00%

Note1: The companies in above table are the investee companies under equity method, and shares of overseas investee companies were the same as the amount of their paid-in capital

Note2: Continental Limited, no number of shares.

III 、 Capital and Shares

3-1 Capitalization

3-1-1.

1.Sources of Capital

March 31, 2025

Unit: NTD.,share

Month / Year	Par Value (NT\$)	Authorized Capital		Paid-on Capital		Remark			
		Shares	Amount (NT\$ thousands)	Shares	Amount (NT\$ thousands)	Sources of Capital		Capital Increased by Assets Other than Cash	Other
						Sources of Capital	Amount(NT\$)		
65.07	1,000	3,000	3,000,000	2,500	2,500,000	Cash investment	2,500,000	None	None
66	1,000	8,000	8,000,000	5,000	5,000,000	Cash increase	2,500,000	None	None
67	1,000	8,000	8,000,000	7,500	7,500,000	Cash increase	2,500,000	None	None
68	1,000	12,000	12,000,000	12,000	12,000,000	Cash increase	3,000,000	None	None
						Shares of retained earning	1,500,000	None	None
69	10	2,000,000	20,000,000	1,800,000	18,000,000	Cash increase	6,000,000	None	None
70	10	5,000,000	50,000,000	2,800,000	28,000,000	Cash increase	10,000,000	None	None
71	10	5,000,000	50,000,000	4,500,000	45,000,000	Cash increase	11,960,000	None	None
						Transfer of capital reserve to new shares	5,040,000	None	None
73	10	8,000,000	80,000,000	6,000,000	60,000,000	Cash increase	5,550,000	None	None
						Shares of retained earning	9,450,000	None	None
75	10	10,000,000	100,000,000	8,000,000	80,000,000	Cash increase	14,000,000	None	None
						Shares of retained earning	6,000,000	None	None
76	10	20,000,000	200,000,000	13,400,000	134,000,000	Cash increase	54,000,000	None	None
77.07	10	20,000,000	200,000,000	18,400,000	184,000,000	Cash increase	33,950,000	None	None
						Shares of retained earning	16,050,000	None	None
79.09	10	60,000,000	600,000,000	35,000,000	350,000,000	Cash increase	116,320,000	None	None
						Shares of retained earning	19,890,000		
						Transfer of capital reserve to new shares	29,790,000		
81.12	10	60,000,000	600,000,000	43,950,000	439,500,000	Shares of retained earning	52,500,000	None	None
						Transfer of capital reserve to new shares	35,000,000		
						Transfer of employee dividends to new shares	2,000,000		

Month / Year	Par Value (NT\$)	Authorized Capital		Paid-on Capital		Remark			
		Shares	Amount (NT\$ thousands)	Shares	Amount (NT\$ thousands)	Sources of Capital	Amount (NT\$)	Capital Increased by Assets Other than Cash	Other
82.08	10	60,000,000	600,000,000	50,403,000	504,030,000	Shares of retained earning Transfer of capital reserve to new shares Transfer of employee dividends to new shares	43,950,000 17,580,000 3,000,000	None None None	None None None
83.09	10	60,000,000	600,000,000	58,300,000	583,000,000	Shares of retained earning Transfer of capital reserve to new shares Transfer of employee dividends to new shares	50,403,000 25,201,500 3,365,500	None None None	None None None
84.07	10	60,000,000	600,000,000	59,990,700	599,907,000	Shares of retained earning Transfer of capital reserve to new shares	9,911,000 6,996,000	None	None
85.07	10	70,000,000	700,000,000	62,990,235	629,902,350	Shares of retained earning	29,995,350	None	None
86.07	10	73,000,000	730,000,000	70,933,027	709,330,270	Shares of retained earning Transfer of employee dividends to new shares	75,588,280 3,839,640	None	None
87.10	10	150,000,000	1,500,000,000	107,000,000	1,070,000,000	Cash increase Shares of retained earning Transfer of employee dividends to new shares	256,380,000 99,306,230 4,983,500	None	None
88.08	10	150,000,000	1,500,000,000	116,991,000	1,169,910,000	Shares of retained earning Transfer of employee dividends to new shares Transfer of capital reserve to new shares	74,900,000 3,610,000 21,400,000	None	None
89.07	10	150,000,000	1,500,000,000	135,280,950	1,352,809,500	Shares of retained earning Transfer of employee dividends to new shares Transfer of capital reserve to new shares	81,893,700 7,413,000 93,592,800	None	None
90.07	10	150,000,000	1,500,000,000	146,169,350	1,461,693,500	Shares of retained earning Transfer of employee dividends to new shares Transfer of capital reserve to new shares	38,484,000 6,259,000 64,141,000	None	None
91.08	10	240,000,000	2,400,000,000	158,443,197	1,584,431,970	Shares of retained earning Transfer of capital reserve to new shares Transfer of employee dividends to new shares	78,887,665 43,850,805 5,802,990	None	None
92.07	10	240,000,000	2,400,000,000	193,106,403	1,931,064,030	Shares of retained earning Transfer of capital reserve to new shares Transfer of employee dividends to new shares	237,664,800 79,221,600 29,745,660	None	None
92.11	10	240,000,000	2,400,000,000	199,883,616	1,998,836,160	Domestic Unsecured Corporate Bonds into new shares	67,772,130	None	None

Month / Year	Par Value (NT\$)	Authorized Capital		Paid-on Capital		Remark			
		Shares	Amount (NT\$ thousands)	Shares	Amount (NT\$ thousands)	Sources of Capital	Amount (NT\$)	Capital Increased by Assets Other than Cash	Other
93.02	10	240,000,000	2,400,000,000	212,169,837	2,121,698,370	Domestic Unsecured Corporate Bonds into new share	122,862,210	None	None
93.05	10	240,000,000	2,400,000,000	214,401,612	2,144,016,120	Domestic Unsecured Corporate Bonds into new share	22,317,750	None	None
93.08	10	240,000,000	2,400,000,000	215,306,154	2,153,061,540	Domestic Unsecured Corporate Bonds into new share	9,045,750	None	None
93.10	10	450,000,000	4,500,000,000	246,506,069	2,465,060,690	Shares of retained earning Transfer of capital reserve to new shares Transfer of employee dividends to new shares	169,735,870 106,084,920 36,178,360	None	None
93.12	10	450,000,000	4,500,000,000	246,818,568	2,468,185,680	Domestic Unsecured Corporate Bonds into new share	3,124,990	None	None
94.02	10	450,000,000	4,500,000,000	247,266,481	2,472,664,810	Domestic Unsecured Corporate Bonds into new share	4,479,130	None	None
94.05	10	450,000,000	4,500,000,000	279,870,183	2,798,701,830	Domestic Unsecured Corporate Bonds into new share	326,037,020	None	None
94.07	10	450,000,000	4,500,000,000	314,764,112	3,147,641,120	Shares of retained earning Transfer of capital reserve to new shares Transfer of employee dividends to new shares	134,586,170 134,586,170 30,611,640	None	None
94.08	10	450,000,000	4,500,000,000	284,785,714	2,847,857,140	Domestic Unsecured Corporate Bonds into new share	49,155,310	None	None
94.11	10	450,000,000	4,500,000,000	315,783,951	3,157,839,510	Domestic Unsecured Corporate Bonds into new share	10,198,390	None	None
95.02	10	450,000,000	4,500,000,000	334,790,867	3,347,908,670	Domestic Unsecured Corporate Bonds into new share	19,006,916	None	None
95.05	10	450,000,000	4,500,000,000	336,713,739	3,367,137,390	Oversea Unsecured Corporate Bonds into new share	19,228,720	None	None
95.08	10	450,000,000	4,500,000,000	336,861,652	3,368,616,520	Oversea Unsecured Corporate Bonds into new share	1,479,130	None	None
95.07 95.09	10	450,000,000	4,500,000,000	373,863,373	3,738,633,730	Shares of retained earning Transfer of employee dividends to new shares Transfer of capital reserve to new shares	162,292,360 45,432,490 162,292,360	None	None

As of 03/31/2025
Unit:NTD.,share

Month/Year	Par Value (NT\$)	Authorized Capital		Paid-on Capital		Remark			
		Shares	Amount (NT\$ thousands)	Shares	Amount (NT\$ thousands)	Sources of Capital	Amount (NT\$)	Capital Increased by Assets Other than Cash	Other
96.05	10	450,000,000	4,500,000,000	376,244,856	3,62,448,560	Oversea Unsecured Corporate Bonds into new share	23,814,830	None	None
96.07	10	450,000,000	4,500,000,000	354,235,856	3,542,358,560	Cancellation of treasury shares	220,090,000	None	None
97.09	10	450,000,000	4,500,000,000	370,794,349	3,707,943,490	Transfer of capital reserve to new shares	165,584,930	None	None
97.11	10	450,000,000	4,500,000,000	358,794,349	3,587,943,490	Cancellation of treasury shares	120,000,000	None	None
97.12	10	450,000,000	4,500,000,000	335,728,349	3,357,283,490	Cancellation of treasury shares	230,660,000	None	None
98.04	10	450,000,000	4,500,000,000	323,728,349	3,237,283,490	Cancellation of treasury shares	120,000,000	None	None
98.08	10	450,000,000	4,500,000,000	333,440,200	3,334,402,000	Transfer of capital reserve to new shares	97,118,510	None	None
98.11	10	450,000,000	4,500,000,000	322,143,200	3,221,432,000	Cancellation of treasury shares	112,970,000	None	None
100.09	10	450,000,000	4,500,000,000	331,657,496	3,316,574,960	Transfer of capital reserve to new shares	95,142,960	None	None
100.12	10	450,000,000	4,500,000,000	311,657,496	3,116,574,960	Cancellation of treasury shares	200,000,000	None	None
100.12	10	450,000,000	4,500,000,000	307,157,490	3,071,574,960	Cancellation of treasury shares	45,000,000	None	None
101.04	10	450,000,000	4,500,000,000	287,157,490	3,871,574,960	Cancellation of treasury shares	200,000,000	None	None
101.04	10	450,000,000	4,500,000,000	282,157,490	2,821,574,960	Cancellation of treasury shares	50,000,000	None	None
105.04	10	450,000,000	4,500,000,000	277,157,490	2,771,574,960	Cancellation of treasury shares	50,000,000	None	None

2.Type of Stock

Type of stock	Authorized share Capital			Remark
	Issued shares	Unissued shares	Total	
Common stock	277,157,496	172,842,504	450,000,000	Listed

3. Related information of the general declaration system: None

3-1-2、Names of major shareholders: Shareholders holding 5% or more of total shares or in the Top 10 stock option holding ratio list

April 22, 2025

Name of Major shareholders	Shares	Total share owned (shares)	Ownership (%)
Peng Chiun-Ping		20,683,303	7.46%
TA PO Investment Limited Representative: Peng, Bo-Zhang		15,300,000	5.52%
Hsu, Jin-Zhi		6,000,000	2.16%
Lee, Li		5,187,000	1.87%
Liu, Chiu-Chi		5,101,000	1.84%
Peng, Ting-Yu		4,322,983	1.56%
Liu Kuan-bai		3,125,000	1.13%
Rechi Investment Co.,Ltd		2,748,718	0.99%
Wen Yu-Mei		2,301,000	0.83%
Chen Chi-Chuan		2,012,000	0.73%
Total		66,781,004	24.09%

3-1-3.Dividend Policy and Implementation Status

1. Dividend policy

Based on the company's operational needs and the consideration of maximizing shareholders' equity, the Company's dividend policy will be based on the company's future capital expenditure and capital needs. The proportion of cash dividends will be not less than 30% of the total dividends.

2.Proposed Distribution of Dividend through the current shareholders' meeting: The Board has adopted a Proposal for Distribution of 2024 Profits on 3/14/2025.

Action Electronics Co.,Ltd

PROFIT DISTRIBUTION TABLE

Year 2024

Unit : NT\$ thousand

Items	Amount
Beginning retained earnings	\$ 3,845,440
Add: Recognition of remeasurements of the defined	1,488,174

benefit plan in retained earnings	
Net profit after tax	183,726,078
Earnings available for distribution	185,214,252
Less: 10% legal reserve	-18,521,425
Add: Reverse Special reserves	9,990,145
Distributable net profit	180,528,412
Distributable items:	
Dividend to shareholders	-110,862,998
Unappropriated retained earnings	\$ 69,665,414

1. The Company proposes to distribute cash dividends of NT\$0.4 per share for the fiscal year 2024 earnings, totaling NT\$110,862,998.
2. After approval of the Annual Shareholders' Meeting, it is proposed that Chairman will be authorized to resolve the ex-dividend date and handle distribution affairs for cash dividend
3. Cash dividends paid to each individual shareholder will be rounded down to the nearest dollar. Fractional shares with a value less than one dollar are recognized as the Company's other income.
4. If the company repurchase stocks of the Company or convert or retire treasury stocks that give impacts on the outstanding shares number to make distribution rate /per stock change, the Company authorizes the chairman to adjust the distribution yield of shareholders according to the resolution for distribution amount and of actual outstanding share number in shareholders' meeting.

Chairman : Peng Ting-Yu General Manager : Peng Hsiu-Yun Accounting Officer: May Huang

3-1-4.Impacts of free share assignment intended through the current shareholders meeting on the Company's operational performance and earnings per share: N/A

3-1-5.Remunerations for employees, directors:

1. The amount or scope of the remuneration of employees, directors and supervisors stated in the company's regulations of organization: according to the company's articles of association:

If the company makes a profit in the current year (the so-called profit refers to the pre-tax benefit deducting the benefit before the remuneration distribution to employees and directors), no less than 1% should be allocated for employees' remuneration and no more than 3% for directors' remuneration; independent directors do not participate in the reward distribution, but when the company still has accumulated losses, the remuneration amount shall be reserved in advance. Employee remuneration can be made in stocks or cash, and its payment objects may include employees of affiliated companies who meet the conditions set by the board of directors.

The allocation of employee remuneration and directors' remuneration shall be made by the board of directors based on a resolution approved by more than two-thirds of the directors present and more than half of the present directors.

2. The calculation basis of the estimated amount of remuneration for employees, directors and supervisors in the current period, the calculation basis of the number of shares of employee remuneration distributed by stocks, and the accounting handle when the actual distribution amount is different from the estimated amount:

If there is any change in the amount after the publication of the annual financial statement, it shall be handled according to the change in accounting estimates and adjusted in the next year.

3. Remuneration distribution approved by the board of directors:

- (1) Remuneration for employees, directors and supervisors is distributed in cash or stocks. If there is a discrepancy between the estimated annual and the recognized amount of expense, the discrepancy, reason and handling situation should be disclosed:

On March 14, 2025, employee compensation of NT\$4,041,063 and director compensation of NT\$4,041,063 for directors to be paid in cash. Differences between the actual and estimated figures will be included in the next year's profit and loss. The relevant information approved by the board of directors will be disclosed in the Market Observation Post Station (MOPS) for reference.

- (2) The amount of employee remuneration is distributed by stocks and its proportion to the total amount of the individual or individual financial report after-tax net profit and total amount of employee remuneration for the current period. (The company does not distribute stock dividends)

4. The actual distribution of the remuneration of employees, directors and supervisors in the previous year (including the number of shares distributed, amount and stock price), and the difference between the actual distribution and the recognized remuneration of employees, directors and supervisors, the numbers of the difference, the reasons, and the processing situation should be stated.:

In the previous year, the bonus for employees was NT\$3,295,449 and the bonus for directors was NT\$3,295,449. The actual amount paid was consistent with the resolution of the board of directors.

3-1-6. Whether the company buys back the company's stock: None

3-2 ˆ Corporate Bond: None

3-3 、 Preferred Shares:1.Status of preferred shares: None ; 2.Preferred shares with warrant :

None

3-4 、 Global Depositary Receipt: None

3-5 、 Employee Stock Option Certificate, Restricted Employee Shares

1 Issurance of employee stock option: None

2. Employee Stock Options Granted to Management Team and to Top 10 Employees with over NT\$3 million: None.

3-6 、 Status of new share issurance in connection with Merges and acquisitions :

None.

3-7 、 Implementation of Capital Utilization Plan

IV 、 Operation Overview

4-1 、 Business content:

4-1-1 、 Business scope:

1. Main business content: The main businesses of the Company and its subsidiaries include sales, maintenance, installation, and servicing of electrical home appliances. The manufacturing, processing, and trading of automotive electronic products; warehousing and logistics services; as well as real estate sales and leasing, etc.

2. Operating proportion: (Group)

Unit: NT\$ thousand; %

Product Item	2024 Group Consolidated Amount	
	Net revenue	Revenue proportion (%)
Brand Management and Service Business System	711,236	28.50
Automotive Electronics Manufacturing Business System	535,750	21.47
Asset Revitalization Business Unit	1,248,336	50.03
Total	2,495,322	100.00

3. The current products:

Action Group is divided into three major business systems based on operations.

(1) Brand management and service business system: With ACTION Kolin brand management and Realise Tech-Service as the core, "Kolin" brand management is mainly in the home appliance business, with products covering audio-visual appliances, refrigerators, washing machines, air conditioners and all kinds of small appliances for healthy living. Realise Tech-Service is mainly responsible for the repair/customer service and sales of Kolin brand products.

(2) Automotive electronics manufacturing business system: With Action Industries (Malaysia) SDN BHD's Penang plant and Action Asia (Shenzhen) Co., Ltd.'s Shenzhen plant as the focus of operations, the company develops, manufactures and sells automotive multimedia products.

(3) Asset revitalization business system: Far Year Construction Co. and Shanghai Action Technology Co., Ltd. as the core, with real estate trading and logistics warehousing as the main business. Far Year Construction is currently engaged in the development of the headquarters in Chungli, Taoyuan, and is planning to build the "ACTION101 Smart Technology Park" and the "Smart Green Building", it is expected that the two new industrial and commercial office buildings will be completed and the development will become a landmark and architectural landmark of the Chungli Industrial Zone, bringing a leap forward for Chungli and accelerating the upgrade and growth of the industrial zone. In 2024, a commercial building was completed and has been progressively handed over to buyers,

contributing to the Group's revenue and profitability.

Shanghai Action Technology Co., Ltd. has been investing in the logistics and warehousing business since 2011, with a land area of 27,500 pings (90,998 sqm) and a factory area of approximately 26,100 pings (86,000 sqm). The Company provides internationalized warehousing facilities and a quality and competitive logistics environment, introducing international brand customers and generating stable revenue and profits for the Group every year.

4. New products (services) planned to be developed:

(1) Brand management: Kolin takes simple happiness as its aspiration and plans a full range of home appliances and small home appliances through multiple marketing channels of distributors, mass merchandising channels and online shopping platforms to provide consumers with more hassle-free smart home appliances to meet the needs of modern people and make life more convenient and simple. Realise Tech-Service is responsible for product service and repair, and currently operates 18 service stations and 4 repair factories throughout Taiwan, continuously providing reliable and affordable products and services.

(2) Automotive Electronics: The automotive infotainment market continues to expand, with the growing prevalence of connected vehicles significantly driving demand for in-vehicle systems. Among these, Rear Seat Entertainment (RSE) displays have gradually become standard equipment for mid-to-high-end vehicle models. Their market penetration is steadily increasing, demonstrating strong growth potential. As smart cockpit technology and Advanced Driver Assistance Systems (ADAS) rapidly evolve, the design of in-vehicle equipment must balance driving safety and passenger experience to optimize functional integration and human-machine interaction. In line with industry trends, the Company actively collaborates with customers and technology partners to promote deeper integration of ADAS functions with infotainment systems.

(3) Asset Optimization: The Company's asset optimization strategy continues to be implemented, successfully enhancing asset utilization efficiency and overall operational performance through diversified business operations. At our Shanghai location, we provide warehouse facilities that meet international standards alongside a high-quality operational environment. The sustained high occupancy rate has ensured stable and predictable rental income for the Group, making it a key pillar of our revenue structure. The new development project located on the former site of the Action Group headquarters is planned to include two modern industrial-office buildings incorporating smart management systems and green building design. It is positioned as a key regional landmark. This initiative not only underscores our commitment to innovation and sustainable development but also strengthens the Group's brand image and enhances the value of our real estate assets. Upon completion of new projects, revenue and profitability momentum will be further boosted. Additionally, the diversified business layout will offer greater flexibility and expansion opportunities, serving as a new driving force for the Group's growth.

(4) Looking ahead, we will continue to focus on integrating the resources of the Group's three major systems, strengthening the quality of operations and enhancing the competitiveness of our brands to implement sustainable management. In an environment of rapid technological advancements and evolving consumer demands, the Company addresses market challenges and industry competition by continuously cultivating professional talent and deepening technological and process innovation.

4-1-2 、 Industry overview:

1. Current status and development of the industry

(1) The application of Internet of Things (IoT) technology has transformed household appliances from traditional electrical products into an essential part of smart living. In line with this trend, Action continues to leverage smart technologies to enhance product usability and energy efficiency, while also strengthening real-time user interaction and the overall service experience. Our consumers recognize the brand's dedication through premium product design, precise logistics arrangements, and a comprehensive after-sales service system, resulting in enhanced brand value and customer loyalty.

(2) Modern consumers' increasing demand for wireless connectivity, personalized entertainment, and immersive experiences has driven the evolution of rear-seat entertainment systems toward higher resolution, greater intelligence, and interconnectivity. With the advancement of smart cockpit and Advanced Driver Assistance Systems (ADAS) technology, in-car equipment must strike a balance between entertainment and driving safety to ensure road safety. The Company actively collaborates with customers and technology enterprises to accelerate the adoption of ADAS technology, expand market presence, and boost market share.

(3) In recent years, influenced by factors such as U.S.-China trade and Taiwanese businesses returning to Taiwan, the commercial real estate vacancy rate has declined while rental prices for office spaces have steadily increased. Observing the performance of Taiwan's commercial real estate market in 2024, transactions reached NT\$276.4 billion, with an annual growth of 46%, marking a record high in recent years. Among these, combined transactions for office and industrial spaces amounted to NT\$100.3 billion. Market demand is strong.

2. The relevance of the industry's upstream, midstream and downstream

(1) Branded goods, distribution services industry structure and supply and demand

- A. In terms of home appliances channels, upstream are manufacturers of home appliances, while downstream are direct sales outlets and e-commerce companies selling products to consumers.
- B. Regarding Home Appliance Repair Service, Realise Tech-Service takes responsibility for customer satisfaction with professional service and brand service and improves the comprehensive benefits of brand + channel + service.

(2) Important raw materials and related suppliers for the electronics manufacturing industry

- A. The key raw materials for automotive entertainment displays include liquid crystal panels, circuit boards, metal and plastic components, as well as communication and power modules.
- B. The Company is mainly engaged in the sale of Internet + mobile multimedia player devices, which is the midstream of the industry. The upstream is related to components and materials, and in response to market demand, the downstream sales are mostly to customers, channels or importers.

3. Various development trends and competitive situations of products

(1) As technology advances, smart home appliances, ESG and digital transformation are the main trends for future development, we continue to work towards building energy-efficient, smart and healthier products, and providing consumers with more convenient and affordable products and experiences. To enhance our competitive edge, ACTION has invested a lot of resources to "upgrade" our home appliance products so that users can easily control them remotely via mobile phone or tablet app, thus providing consumers with a more convenient life.

As smart cockpit technology accelerates, Rear Seat Entertainment displays and Advanced Driver Assistance Systems (ADAS) have become key growth drivers in the automotive electronics sector. Rear Seat Entertainment displays are evolving towards multifunctional integration, high-resolution touchscreens, and wireless connectivity. Additionally, their interoperability with in-car infotainment systems has been enhanced, improving the overall passenger experience. This sector is highly competitive, with international brands possessing technological and brand advantages. Meanwhile, Asian suppliers with rapid customization and system integration capabilities are also gaining prominence. On the other hand, ADAS products are advancing from basic assistance functions toward L2/L3 autonomous driving. They incorporate diverse sensing technologies and AI algorithms

to enhance driving safety and precision in driver assistance. The market is primarily led by European and Israeli technology firms, but independent R&D capabilities in Asia are steadily increasing. Notably, Asian companies demonstrate competitive potential in areas such as image recognition, system integration, and cost control. Both product categories benefit from the automotive intelligence trend, offering industry players opportunities for sustained growth and differentiated development.

- (2) Product competition situation: Competing manufacturers of home appliances include Datong, Sampo, TECO, Chi Mei, Sanyo, etc. Major competitors in the Rear Seat Entertainment displays market include Jet Optoelectronics and E-lead Electronic.

4-1-3 、 Technology and R&D Overview:

Electronic manufacturing business system:

1. Research and development expenditures in the last two years (Electronic manufacturing business system)

Unit: NT\$ Thousand		
Year	2024	2023
Amount	30,942	29,980

2. Successfully developed products or technologies

- (1) Action's Penang plant mainly focuses on the production of in-car audio and video entertainment systems. The product development and manufacturing make use of external technical resources to enhance self-strength and strive for quality and quantity of breakthrough, existing products deep plowing and value innovation.
- (2) Action Asia Shenzhen factory product development and manufacturing, make use of external technical resources, to enhance self-strength, strive for quality and quantity of breakthrough, existing products deep plowing and value innovation.
- (3) ACTION Kolin products are developed to provide reliable and affordable products and services for consumers to live a healthy and simple life, applying smart technology to make products work better and customer service more immediate.
- (4) Two brand-new industrial and office buildings are being constructed on the former site of the Action Group headquarters, forming Zhongli's first 5G-enabled innovation technology park. The project aims to develop smart green buildings certified with dual green building labels and to establish a key regional landmark.

4-1-4 、 Long-term and short-term business development plans:

Action Electronics Co., Ltd. has been established for more than 40 years, and has been selling to the worldwide by ODM and OEM. It later transformed its operations by managing the Kolin home appliance brand, producing and marketing in-car audio and video entertainment systems, revitalizing its land assets, and successfully shifting its business mindset. Looking ahead, the Group remains committed to developing its three primary business segments

Short-term business development plan:

- (1)Automotive Electronics Business System: With the Penang plant in Malaysia as a key development base, the automotive electronics business is actively being promoted, focusing on the marketing and development of in-car and mobile infotainment products. By implementing a "single model, multi-location marketing" strategy and a "dedicated system for specialized applications" product positioning approach, we are integrating rear-seat entertainment, information display, and communication functions. Furthermore, the scalable In-Car Platform system is being further developed to enhance market penetration and customer retention.
- ACTION ASIA (Shenzhen) and ACTION Taiwan have jointly established a dedicated R&D team in

alignment with the Group's medium- to long-term strategic direction. The team is fully engaged in the design and innovation of automotive electronic products, with a focus on enhancing product competitiveness and differentiation, as well as improving supply chain responsiveness.

- (2) Brand Management Business System: Led by ACTION Kolin Taiwan and Realise Tech-Service, we continue to strengthen brand management. Through diversified operational strategies, efforts are being made to enhance the visibility and market share of the 'Kolin' brand. A flexible multi-channel strategy is being deployed to actively expand niche products and segmented markets while identifying high-growth-potential distribution channels. These efforts will strengthen brand influence and market presence.
- (3) Asset Revitalization Business Unit: The Group is actively promoting land asset revitalization in Zhongli, Shanghai, Shenzhen, and other locations, injecting new momentum into its business operations. Shanghai Action Storage and Logistics Center has achieved stable growth in operations, becoming a reliable source of steady revenue for the Group. The land redevelopment project at the Taiwan headquarters, 'ACTION101 Smart Technology Park,' is progressing smoothly. One building was completed in 2024, and the second building is expected to be completed within the next three years. The Company also plans to establish an Industry 4.0-compliant technology industrial park, integrating R&D, sales, and manufacturing functions to foster innovation and operational efficiency.

Long-term business development plan

Looking ahead, Action Group will continue to uphold the spirit of innovation and transformation. By combining comprehensive strategic planning, high-quality products, and diverse brand services, the Group aims to drive sustainable business operations. By reinforcing core competencies and enhancing adaptability, the Group continues to drive growth momentum, advancing toward sustainable profitability and global expansion.

4-2 、Market and production and sales overview:

4-2-1 、Market analysis:

1. The sales (provide) area of the company's main products (services)

Unit: NT\$ Thousand

Year Sales Area		2024		2023	
		Net Revenue	Percentage	Net Revenue	Percentage
Ex por t	Asia	138,003	5.53	155,150	10.16
	America	333,438	13.36	499,909	32.74
	Others	194,051	7.78	346,634	22.70
Domestic		1,829,830	73.33	524,985	34.39
Total		2,495,322	100.00	1,526,678	100.00

- (1) The Company's three major business systems (distribution services, automotive electronics, and asset activation) accounted for 28.50%, 21.47% and 50.03% of the operating revenue in 2024, respectively.
- (2) The products of the distribution service business system are mainly sold domestically. Automotive electronics are mainly exported, while asset activation in 2024 focused primarily on the domestic market.

2. Market share and future supply and demand conditions and growth, competitive niches and development prospects favorable and unfavorable factors and countermeasures.

Brand Management Business System:

(1) Operating Direction:

A. We will continue to enhance the brand value of the Kolin brand and create home appliances that are more suitable for modern families by increasing the appearance of the products and strengthening their functions, so that consumers can experience that home appliances are not just home appliances, but also the happiness of home life.

B. Combined with the perfect after-sales service and logistics advantages, so that consumers no longer bother about the delivery process, product warranty, to give consumers the most perfect protection in the fastest time and efficiency.

(2) Marketing Layout:

A. The sales areas for the products are mainly domestic sales. Through a multi-brand sales strategy (Kolin, AXION), it aims to meet the needs of different consumer segments.

B. Proportion of channels: In addition to traditional distributor channels, it is actively expanding into e-commerce platforms targeting the younger generation, as well as medium and large-scale wholesale and retail channels, providing consumers with a variety of purchasing options.

C. The future situation of supply and demand and growth of the market

At present, intelligence and energy saving are still the main demands of consumers for home appliances, among which LCD monitors are mainly developed in the direction of large size and high resolution, while small appliances are developed in the overall trend of personalization and health wellness.

(3) Advantages and disadvantages of business niche and development prospects and countermeasures

A. Favorable factors:

The Kolin brand has been rooted in Taiwan for 60 years and has established a strong brand image. Through strengthening the professional skills of the after-sales service team and mutual support of logistics strategic partners, it has created a win-win situation for consumers, dealers and the Company.

B. Unfavorable factors:

Looking ahead, the domestic home appliance industry faces multiple challenges, including intensifying market competition, increasing brand and pricing pressures, and shrinking profit margins for enterprises. Meanwhile, selling expenses have been further elevated due to the continuous rise in costs for physical and e-commerce channels, coupled with increasing marketing resource demands from distributors. On the other hand, the rapid evolution of smart and energy-efficient technologies presents both opportunities and challenges.

Companies that fail to promptly invest in R&D, upgrade products, or comply with increasingly stringent energy and environmental regulations may face declining product competitiveness and rising compliance costs, posing potential risks to future business operations..

C. Countermeasures

By understanding consumers' needs and combining with external partners, we can enhance cost control and price flexibility of innovative products, and develop new consumer groups by

introducing new generation consumption patterns.

Automotive Electronics Business System:

(1) Operating Direction:

With the management philosophy of professionalism, simplicity, and profitability, the team will be appropriately divided into professional functions, and then the process will be integrated to completely connect the upstream and downstream, to achieve their respective duties and specialize in their fields of expertise, so as to achieve the annual target by each division and specialization.

(2) Marketing Layout:

Existing customers continue to develop steadily, while efforts to expand new customer bases remain ongoing. Additionally, services for key clients, delivery schedules, and product quality control have been strengthened.

(3) Advantages and disadvantages of business niche and development prospects and countermeasures

A. Favorable factors: ODM and EMS businesses have won the award of high-quality level and best production partner in the industry, and the factory is located in Southeast Asia, which has a geographical competitive advantage toward on the Sino-US trade war.

B. Unfavorable factors: Raw material prices and transportation costs, although gradually slowing down, cost prices are still on the rise.

C. Countermeasures: The Company maintains long-term and stable cooperative relationships with major customers and suppliers. Furthermore, a diversified supplier database has been established to enhance procurement flexibility and cost control capabilities, effectively reducing risks and ensuring supply chain stability.

Asset Optimization Business Model: The Company continues to advance asset optimization strategies, focusing on warehousing and logistics services in Shanghai and the sales and leasing of office buildings at its Taiwan headquarters to effectively enhance asset value and ensure stable revenue generation.

1. Main business items: Warehousing and logistics services, and factory/office sales and leasing services.

2. Business strategy:

A. A close linkage mechanism has been established among park tenants to enhance service satisfaction and customer retention.

B. A comprehensive property management system has been implemented and continuously optimized, creating a high-efficiency and premium operational environment.

C. Office spaces that integrate environmental benefits and innovative technologies are actively being developed, incorporating green building standards and smart energy-saving systems. These provide enterprises with high-quality office environments that support both production and R&D while strengthening corporate ESG branding.

3. Short and long-term business development plans:

A. Customer service mechanisms have been reinforced, and facility maintenance and property management have been improved, leading to higher tenant renewal intentions and satisfaction.

B. The tenant structure within the park remains stable, maintaining an occupancy rate of over 90%.

C. Potential markets and regions have been identified for the development of new projects with differentiated competitive advantages

4. Market Overview and Analysis

Shanghai ACTION's logistics and warehousing services have been well supported by the local government. Although affected by the epidemic in mainland China, we still maintain good relationship with our customers and provide them with appropriate care and assistance, we are also well received our customers, and the rental rate has been stable at over 90%.

The leasing and sales market for factory offices in Taiwan's industrial zones exhibits regional differences. Taoyuan and Hsinchu, recognized as high-value areas, experience strong demand primarily driven by the high-tech sector, resulting in higher average prices. Taichung, which is centered around the precision machinery industry, maintains moderate rental rates. Kaohsiung and Tainan have seen growing leasing demand due to their relatively lower rental costs, making them attractive to small and medium-sized enterprises. With the continuous development of green energy and high-tech industries, future market growth will be driven by demand from these sectors..

4-2-2 · Important use and production process of main products

1. Important uses of main commodities:

Product	Usage
Home appliance	Consumer electronics designed for residential and commercial spaces enhance convenience and product value through high energy efficiency, intelligent design, and health-oriented features
In-car Audio and Video Products	Audiovisual products for in-vehicle systems integrate rear-seat entertainment, information display, and communication functions to enhance passenger experience and driving convenience.
Factory/Office Real Estate	Factory and office spaces are provided for self-use or lease to support production, research and development, administrative management, and business operations, while also serving asset allocation and capital return functions.

2. Main Product Manufacturing Process:

Product	Manufacturing Process
Home appliance	Primarily based on outsourcing (OEM/ODM), rather than in-house production.
In-car Audio and Video Products	Product design and development, procurement of key components, manufacturing and assembly, quality verification, and delivery.
Factory/Office Real	Site selection and development planning, construction and

Estate	project management, inspection and commissioning, and leasing.
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4-2-3、Supply status of main raw materials:

We have a long term relationship with our suppliers for key components to ensure stable delivery, cost and quality through a consultative (inquire, compare and negotiate) procurement system.

4-2-4、Names of customers with 10% or more purchases or sales and the value of purchases or sales and ratio in the past two years: please describe the reason for the increase or decrease

(1) Key Suppliers: Changes in suppliers are primarily due to shifts in the product sales mix.

Unit : NT\$ thousand

No	2024				2023			
	Name	Amount	Relation to The Company	%	Name	Amount	Relation to The Company	%
1	Suppliers A	\$94,485	None	14	Suppliers A	\$125,389	None	20
2	Suppliers B	56,693	None	8	Suppliers B	85,513	None	14
3	Suppliers C	49,526	None	7	Suppliers C	65,829	None	10
4	Others	489,284	None	71	Others	352,974	None	56
	Total Net	\$689,988		100	Total Net	\$629,705		100

(2) Key Customers: Changes in suppliers are primarily due to shifts in the product sales mix.

Unit : NT\$ thousand

No	2024				2023			
	Name	Amount	Relation to The Company	%	Name	Amount	Relation to The Company	%
1	Customer A	\$179,228	None	7	Customer A	\$333,098	None	22
2	Others	2,316,094	None	93	Others	1,193,580	None	78
	Total Net	\$2,495,322		100	Total Net	\$1,526,678		100

4-3、Information of employees in the past two years and up to the date of printing of the Annual Report

Year		2023	2024	As of March 31, 2025
Number of employees	Staff	72	57	52
	Operator	2	0	0
	Total	74	57	52
Average age		46.6	47.9	47.7
Average seniority in service		6.7	6.95	6.8
Educational	Ph.D	0	0	0
	Master	10	8	8

Distribution Ratio	College and University Graduate	47	33	32
	Senior high/vocational high school graduate	16	15	11
	Less than high school	1	1	1

4-4 ˆ Expenditure on Environmental protection

1. In the most recent year and as of the publication date of the annual report, the Company's process of improving environmental pollution: None.
2. In the most recent year and as of the publication date of the annual report, the total losses (including compensation) and the total amount of disposal suffered from environmental pollution, shall be disclosed the future countermeasures and possible expenditures: None.
3. The current pollution situation and its improvement influence on the Company's earnings, competitive position and capital expenditure: None.
4. The most recent year and as of the publication date of the annual report, estimated major capital expenditures on environmental protection: None.

4-5 ˆ Labor Relations

(I) Current important labor-management agreements and implementation status

1. Various welfare measures for employees:

Both the Company and employees can deeply realize the importance of a harmony labor-management relationship, and stress on the communication of opinions between above and below. The Company's policies and various important measures can also enable employees to fully understand, so that can obtain employees' support and cooperation. The following are the employee welfare measures:

(1) Vacation: The seniority leave (special leave) is stipulated in the Labour Standards Law. As of December 31, 2024, over 40% of employees had applied for birthday leave.

(2) Employee Training: In 2024, the total training hours amounted to approximately 205 hours.

(3) Education awards and grants: education awards for employees and their children. A total of NT\$14 thousand was disbursed in 2024.

(4) Gifts and Bonuses: 2024 Festive gifts and bonuses amounted to NT\$451 thousand, gifts and bonuses related to weddings, funerals, and celebrations totaled approximately NT\$50 thousand, over 90% distribution rate of Father's Day/Mother's Day gifts, and birthday bonuses issued amounted to NT\$58 thousand.

(5) Employee Insurance: labor insurance, national health insurance, employee group medical insurance and accident insurance.

(6) Bonuses: rewards for outstanding employees (based on 2024 work performance, approximately NT\$20 thousand in prizes or bonuses was awarded in 2025.), year-end bonuses, rewards for senior employees, and employee bonuses.

(7) Grant application; hospitalization condolences. Approximately NT\$4 thousand was distributed in 2024.

- (8) Employees are provided with maternity leave and paternity leave for pregnancy and childbirth; family care leave is provided for childcare, a system of childcare without pay, postpartum reinstatement measures, and appropriate work arrangements are given according to needs.
- (9) Others: Year-end prosperous annual meeting, annual employee travel (In 2024, a two-day domestic trip was organized, with a total of 70 participants including employees and their family members; the Company covered approximately NT\$675 thousand in expenses.)

2. Retirement system:

The Company's retirement system is formulated in accordance with the Labor Standards Law and Labor Pension Regulations. The Company allocates 6% based on the monthly salary to a special account of retirement pension each month. (As of December 31, 2024, a total of approximately NT\$2,654 thousand had been allocated.) In addition, for employees who choose the old retirement system, there is also the Labor Retirement Fund Supervision Committee responsible for the custody and utilization of the retirement fund. According to the monthly retirement actuarial evaluation report and the actuarial estimation, the Company determines the welfare expenses and allocates the retirement fund based on the monthly salary of the employees and deposits it into a special account in the Trust Department of the Bank of Taiwan, as a source of pension payment. Currently, NT\$4 thousand is set aside on a monthly basis. The calculation method of pension payment shall be handled in accordance with the provisions of the Labor Standards Law. In addition, the labor pension shall be withdrawn in accordance with the "Labor Pension Regulations" and deposited into a special account of labor pension.

3. Other important consultation status:

- (1) The company is applicable to the Labor Standards Law, and all operations are conducted based on the Labor Standards Law.
- (2) The company has set up an Employee Welfare Committee. Through the Employee Welfare Committee, the company allows employees to understand the company's operating conditions. Employees also express their opinions through the welfare committee, so that they can mutually and fully understand and communicate with each other.

(2)Employer-employee disputes in the past three years: None

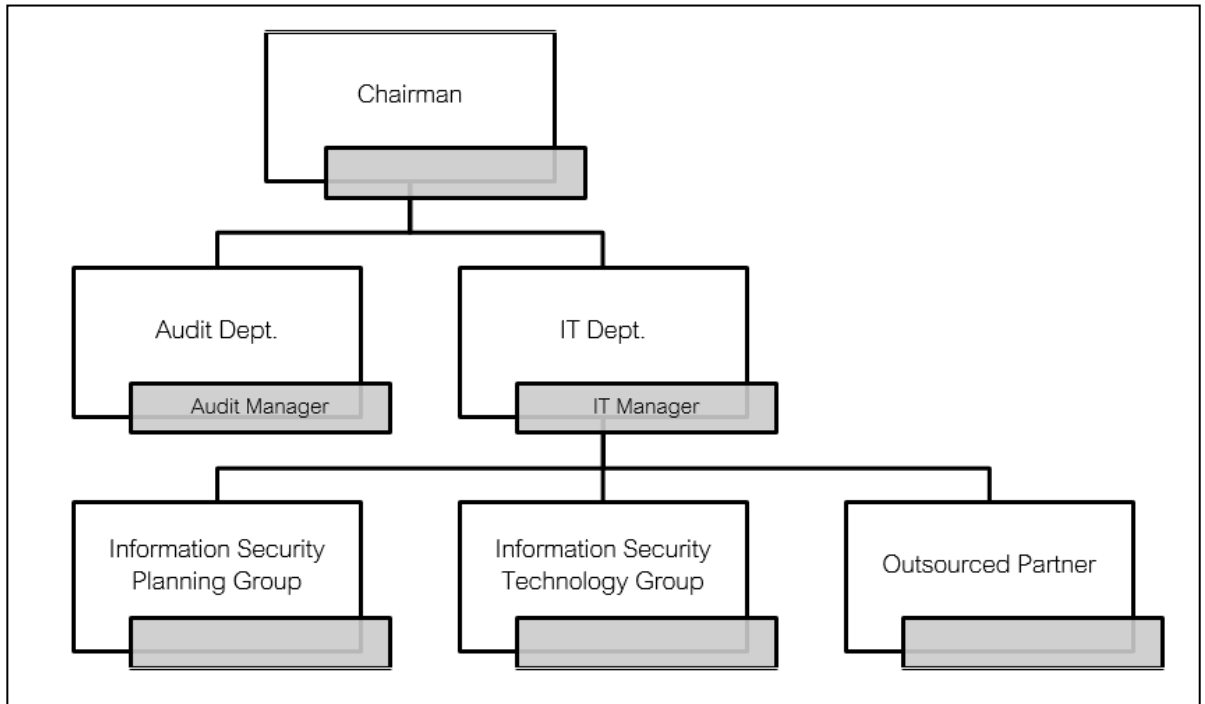
4-6 、 Information Security Management

To ensure the smooth operation of ACTION ELECTRONICS CO., LTD (hereinafter referred to as the Company) and the safe operation of information-related personnel, data, information systems, equipment and networks, we have established an Information Security Policy (hereinafter referred to as the Policy) for all of our employees to follow.

1 、 Information Security Risk Management Framework:

To promote the Company's information security management, ensure the security of data,

systems, equipment and networks, and protect the rights of consumers, the Company has set up an information security management organization as shown below.



2、 Information Security Policy :

1. Scope

- (1) This applies to the security management of the Company's information assets, covering their confidentiality, integrity and availability.
- (2) All employees, contractors, consultants, temporary employees, customers, and third-party personnel involved in the Company's information operations or use of data are expected to comply with this policy.

2. Management Principles

- (1) To protect information or information systems from unauthorized access, use, control, leakage, destruction, tampering, destruction, or other infringement.
- (2) To establish an information security promotion team and set up authority and responsibility to promote and maintain information security management, implementation and review.
- (3) Convene information security management meetings to review internal and external risks, major information security incidents, competent authorities' information security guidelines and business requirements, and take measures in response.
- (4) We conduct various information security inspections, reviews, and personnel education and training to assess the risks of the information environment and make improvements.
- (5) We have built information security systems or equipment monitoring to continuously improve the security of the overall information environment and reduce the occurrence of various risks.

- (6) The use of the system and data shall be authorized and access rights shall be granted to the minimum extent necessary for its business.
- (7) The information system is equipped with appropriate backup and recovery mechanisms, and contingency drills are arranged to strengthen the response and handling capabilities of information services in the face of threats.
- (8) Arrange staff information security education and training to continuously enhance staff information security awareness.

3. Reviews

- (1) This policy is reviewed once a year and may be revised as necessary to reflect relevant laws, regulations, technologies and developments in the Company's business.
- (2) After the approval of this policy, the stakeholders will be informed by announcement, in writing, by email or other means.
- (3) Stakeholders are: the scope of Article 2, paragraph 2.

3、 Specific Management Solutions

1. The Company has joined the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC).
2. In 2024, cybersecurity knowledge was regularly communicated and promoted during monthly meetings, totaling 12 sessions. Additionally, unscheduled tests were conducted to enhance information security awareness. In the fourth quarter of 2024, a company-wide social engineering exercise was performed, involving 70 participants.
3. The information security defense capabilities are reviewed, and the defense capabilities of the current information system including network, equipment, and application systems are enhanced and repaired to reduce information security risks.
4. Improve the information system backup and recovery mechanism to respond to possible information security hazards.

- 4、 For the most recent year and as of the publication date of the annual report, the losses suffered as a result of significant information security incidents, their possible effects and the measures taken in response, if they cannot be reasonably estimated, should state the facts that they cannot be reasonably estimated: None.

4-7、 Important Contract :

Contract nature	Company	counterparty	contract start date	main content	Restrictions
Engineering contract	Far Year Construction Co., LTD	Sanmin Construction Co., Ltd.	Since the signing of the contract on 2022.11.23, the smart project has been completed	Entrusted development contract for Civil "Engineering of Area A of Action Science Park and Technology Park"	None

Credit contract	Far Year Construction Co., LTD	Changhua Bank	2023.4.28~ 2027.4.28	The construction financing line for the development of Zone A of the ACTION101 Smart Technology Park	None
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V 、 Financial status, analysis of operating result and risk management

5-1 、 Financial status

Unit:NT thousands

Year	2024	2023	Difference		
			Amount	%	Remark
Items					
Current Assets	2,506,050	2,922,247	(416,197)	(14)	
Property, Plant and Equipment	174,604	111,538	63,066	57	1
Intangible assets	204,534	210,097	(5,563)	(3)	
Other assets	1,758,645	1,911,227	(180,582)	(9)	
Total assets	4,643,833	5,155,109	(511,276)	(10)	
Current Liabilities	1,313,576	2,029,336	(715,760)	(35)	2
Non-current liabilities	291,809	314,077	(22,268)	(7)	
Total Liabilities	1,605,385	2,343,413	(738,028)	(31)	3
Equity attributable to shareholders of the parent	3,038,448	2,811,696	226,752	8	
Capital stock	2,771,575	2,771,575	0	0	
Capital surplus	1,602	1,602	0	0	
Retained earnings	695,660	538,161	157,499	29	4
Other equity interest	(430,389)	(499,642)	69,253	(14)	
Non-controlling interest	0	0	0	0	
Total equity	3,038,448	2,811,696	226,752	8	

(I) Explanation on the difference analysis: the main reasons and impacts of that the increase or decrease changes more than 20% in the previous and current stages and the amount of change reaches NT\$10 million:

- 1) Increase in property, plant and equipment: Mainly due to the addition of certain real estate in the current period.
- 2) Reduction in Current Liabilities: Mainly due to the decrease in loans maturing within one year during the reporting period.
- 3) Reduction in Total Liabilities: Mainly due to the decrease in loans for period.
- 4) Increase in Retained Earnings: Mainly due to the increase in income for period.

5-2 、 Operating Performance Analysis

Unit: NT thousands

Items	2024	2023	Differences		
			Amount	%	Remark
Operating Revenue	2,495,322	1,526,678	968,644	63	1
Gross profit	585,163	422,943	162,220	38	
Operating Expense	342,683	316,746	25,937	8	
Operating income	242,480	106,197	136,283	128	1
Non-operating income and expenses	15,873	43,987	(28,114)	(64)	2
Net Income before tax	258,353	150,184	108,169	72	1
Corp.Tax	74,627	41,191	33,436	81	3
Net income (Loss)	183,726	108,993	74,733	69	

(I) The main reasons for the changes in each subject are as follows:

- 1) Operating income and net income before income tax: The main reason is that the 'ACTION101 Smart Technology Park - Zone B' under the real estate sales business group has been completed and handed over, which boosted overall revenue and increased operating profit and pre-tax net profit.
- 2) Non-operating Income and Expenses: Mainly due to the decrease in other income, including endorsements and guarantees, rental income, and dividend income, in 2024 compared to 2023.
- 3) Income Tax Expenses: Mainly due to the completion and handover of "ACTION101 Smart Technology Park - Zone B" in 2024, which led to an increase in pre-tax net income and consequently higher income tax expenses.

(II) Expected sales volume and its basis, potential impact on the Company's future financial and business performance, and response plans :

The Group's main business activities include the sales, installation, and servicing of various home appliances, the manufacturing and sales of automotive electronic products, as well as warehousing logistics services and real estate sales and leasing. Regarding brand management, consumers appreciate the brand's dedication through premium product design, precise logistics coordination, and a comprehensive after-sales service system, thereby enhancing brand value and customer loyalty. Regarding automotive electronics manufacturing, the Company actively collaborates with customers and technology enterprises to accelerate the development of ADAS technology, expanding market presence and boosting market share. Regarding asset revitalization, internationalized warehousing facilities and a premium environment are provided. We are committed to building smart green buildings, showcasing the Company's innovation and commitment to sustainable development, creating further opportunities for future business expansion.

5-3 、 Analysis of changes in cash flow

(I) Cash flow this year

Unit: NT\$ Thousand

Cash balance at	Annual net cash	Annual net cash	Cash	Remedial measures for
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early stage	flow from operating activities	outflow into investment and financing activities	remaining amount	expected cash shortage	
				Investment plan	Financial plan
752,606	873,528	(675,948)	950,186	Not applicable	Not applicable

Analysis of changes in cash flow:

Operating Activities: Mainly due to the decrease in inventory was mainly due to the completion and sale of one of the buildings in the "ACTION101 Smart Technology Park."

Investing Activities: Mainly due to the increase in investment property related to the "ACTION101 Smart Technology Park."

Financing activities: Mainly due to the decrease in loans.

(II) Liquidity Improvement Plan:

There are currently no issues regarding liquidity insufficiency.

(III) Analysis of cash liquidity in the coming year

Unit: NT\$ Thousand

Cash balance at early stage	Annual net cash flow from operating activities	Estimated annual net cash inflow from investment and financing activities	Cash remaining amount	Remedial measures for expected cash shortage	
				Investment plan	Financial plan
950,186	(522,539)	236,108	663,755	Not applicable	Not applicable

Analysis of changes in cash flow:

Operating Activities: Mainly due to investment costs for the construction of another building in the "ACTION101 Smart Technology Park" project

Investing and Financing Activities: Mainly due to the drawdown of project financing loans.

5-4 、 The impact resulted from major capital expenditures on financial operations in the most recent year: No major capital expenditures in the most recent year

5-5 、 The reinvestment policy in the most recent year and the main reasons for profit or loss and its improvement plan and investment plan for the next year

- (I) The Company's share of profit and loss recognized under the equity method for subsidiaries and affiliated enterprises amounted to a loss of NT\$271,913 thousand for the current year, compared to a profit of NT\$185,186 thousand in 2023, representing an increased loss of NT\$457,099 thousand. The Company primarily recognized gains from real estate disposals due to joint construction and unit allocation being considered commercially substantive. However, as the counterparty in the joint construction and unit allocation transactions is a subsidiary, the Company, in accordance with regulations, eliminated unrealized real estate disposal gains generated from upstream transactions, resulting in an investment loss of NT\$506,558 thousand under the equity method.
- (II) To respond to future market changes and the development needs of the Group, each subsidiary will promote organizational optimization and resource integration. Building on a foundation of steady and sustained profitability, efforts will focus on further enhancing operational synergies and strengthening overall competitive advantage.
- (III) Estimated investment in the coming year: The board of directors resolved to invest in the construction of the "Memory Smart Technology Park" in 2020. The building was completed in 2024, and the construction of another building will continue over the next year.

5-6 、 Analysis and assesment of risk management items in the most recent year and as of the date of publication of the annual report:

(I) The impact of recent annual interest rate, exchange rate changes, and inflation on the company's profit and loss and future countermeasures:

1. The company and its subsidiaries borrow mainly in New Taiwan dollars, followed by U.S. dollars. It is a fixed-interest debt, which is subject to changes in market interest rates and has little influence on future cash flows, but it is still subject to fair value interest rate risk. For debts with floating interest rates, changes in market interest rates will cause the effective interest rate of the debt to change, which will cause fluctuations in its future cash flow. Some risks can be offset by cash held at floating interest rates and current cash.
2. The impact of exchange rate changes: the main procurement of the company and its consolidated subsidiaries are denominated in US dollars, and the fair value will change with fluctuations in market exchange rates. However, the company and its subsidiaries hold foreign currency assets and liabilities and the period of receipt and payment can be made to offset each other's market risks.
3. Inflation impact: The company has no significant financial impact due to inflation. The company will pay close attention to fluctuations in market prices and maintain a good interactive relationship with suppliers and customers.

(II) In recent years, high-risk, high-leverage investments, capital loans to others, endorsements and derivatives trading policies, main reasons for gains or losses, and future response measures:

1. The company does not engage in high-risk, high-leverage investment activities.
2. Fund loan to others and endorsement guarantee: mainly due to the operating needs of the company and its affiliated companies, all are handled in accordance with the "Fund Loan to Others Operation Procedure" and "Endorsement Guarantee Operation Procedure".
3. Derivative products that the company has not signed in 2024.
4. Response measures: The financial risk management policies of the company and its subsidiaries are affected by the characteristics of the electronics and home appliance industries. The financial risks which the consolidated company faced include changes in operating fund, credit risk and financial product investment. In order to achieve the best risk position, the company plans to adopt different strategies for different risks:

- (1) Hedging strategy for changes in operating fund: The company has appropriate short-term bank loan quotas, and grasps the timing of cash inflows and outflows to maintain proper liquidity on capital allocation.
- (2) Credit risk: The company has a strict credit evaluation policy, only transacting with counterparties with good credit status, and timely use of debt preservation measures to reduce credit risk.
- (3) Financial product investment: Among the equity financial products invested by the company, financial assets belonged to fair value changes are classified as gains and losses, which can activate market, and easily sold out in the market at a price close to fair value. Significant Liquidity Risk is not expected to happen.
- (4) Risk control: The financial department regularly evaluates the transaction and profit and loss situation at any time, and reports to the board of directors when abnormalities are found.

(III) Future R&D plans and estimated R&D expenses:

1. Future R&D plan:

The automotive electronics business unit has established long-term cooperative relations with customers, focusing on the development, production and sales of automotive electronic audio-visual entertainment products. In the future, it will continue to introduce high-value new products incorporating AI intelligence and internet connectivity.

2. Estimated R&D expenses:

Estimated R&D expenses: The Group's estimated amount for 2025 is approximately NT\$33,000 thousand.

(IV) The impact of major domestic and foreign policy and legal changes in the most recent year on the company's financial business and corresponding measures: None.

(V) The impact of recent technological changes on the company's financial business and corresponding measures:

As the consumer electronics market evolves rapidly, product life cycles have shortened significantly due to accelerated innovation and replacement cycles. Consequently, technology products are becoming more accessible and increasingly cost-competitive. Rear Seat Entertainment displays are advancing toward multifunctional integration, high-resolution touchscreens, and wireless connectivity. Meanwhile, ADAS products continue to enhance driving safety and precision in driver assistance by integrating diverse sensing technologies and AI algorithms. The real estate leasing and sales market is

gradually incorporating green building standards and smart energy-saving systems in response to sustainable development trends. Meanwhile, rising geopolitical risks and uncertainties in the global trade environment continue to exert pressure on overall operations and profit margins

To address these challenges, in addition to actively monitoring industry trends and market demands, the Company is also strengthening its ability to forecast end-market sales trends. Furthermore, the Company continues to review inventory structures and impairment risks to reduce the impact of liquidity constraints, ensuring operational flexibility and efficient resource allocation

The Group maintains a robust financial structure with ample capital reserves. Moving forward, it will continue to deepen its existing product advantages while steadily expanding its market presence. Additionally, the Group is actively launching innovative products with high added value and competitive strength to navigate operational challenges and seize growth opportunities presented by technological advancements.

(VI) The impact of changes in corporate image in recent years on corporate crisis management and corresponding measures:

The company abides by laws and regulations regarding corporate image, and so far there is no situation that could affect corporate image.

(VII) Expected benefits, possible risks and countermeasures of mergers: None.

(VIII) Expected benefits, possible risks and countermeasures of expanding the plant: None.

(IX) Risk faced by concentrated material input or sales channel and its countermeasures:

Material Input: The procurement of key components of the company's products is through direct negotiations with the original manufacturer to ensure normal supply and maintain price advantages. The supply of various raw materials also shall be maintained two or more suppliers to avoid goods resources controlled by others and maintain the flexibility of bargaining. So far, the company and the suppliers mutually keep maintaining good interaction.

Sales: Sales: The Company has categorized its business operations into three major segments based on business characteristics and has adopted a specialized and integrated strategy, leveraging professional expertise to sustain stable profitability.

(1) **Automotive Electronics Manufacturing Business System:** With ACTION Taiwan, Action Industries Malaysia (Penang) plant, and Action Asia (Shenzhen) plant as core bases, the development and manufacturing of automotive multimedia products are strategically focused. A multi-point sales strategy for the same product model is adopted, while actively investing in the R&D of new In-Car Platform products to expand the smart in-car technology field.

(2) **Brand Services Business System:** Led by ACTION Taiwan and Realise Tech-Service, we are responsible for the management and promotion of the Kolin brand. The

team actively expands the market to increase overall revenue scale, enhancing brand visibility through diversified business strategies, while flexibly utilizing both physical and online channel resources.

(3) Asset Revitalization Business Unit: Shanghai ACTION maintains a high occupancy rate through the activation and management of its warehousing and logistics resources, generating stable leasing income for the Group. Meanwhile, Far Year Construction is actively driving the development of the 'ACTION101 Smart Technology Park' project. By leveraging accumulated achievements and experience, it continues to expand its subsequent development projects, injecting growth momentum and profitability into future operations.

(X) Directors, supervisors, or major shareholders holding more than 10% of the shares, the impact, risks and corresponding measures of the company's massive transfer or replacement of equity: None.

(XI) The impact, risks and countermeasures of the change in operating rights on the company: None.

(XII) For litigation or non-litigation events, the company and its directors, supervisors, general managers, substantive persons in charge, major shareholders holding more than 10% of the shares, and affiliated companies have been verdict confirmed or at the period before judgement of major litigation, non-litigation or administrative litigation, the outcome of which may have a significant impact on shareholder rights or securities prices, the facts in dispute, the amount of the subject matter, the start date of the litigation, the main parties involved and the date as of publication date of the annual report shall be disclosed. The handling situation: None.

(XIII) Other important risks and corresponding measures: None.

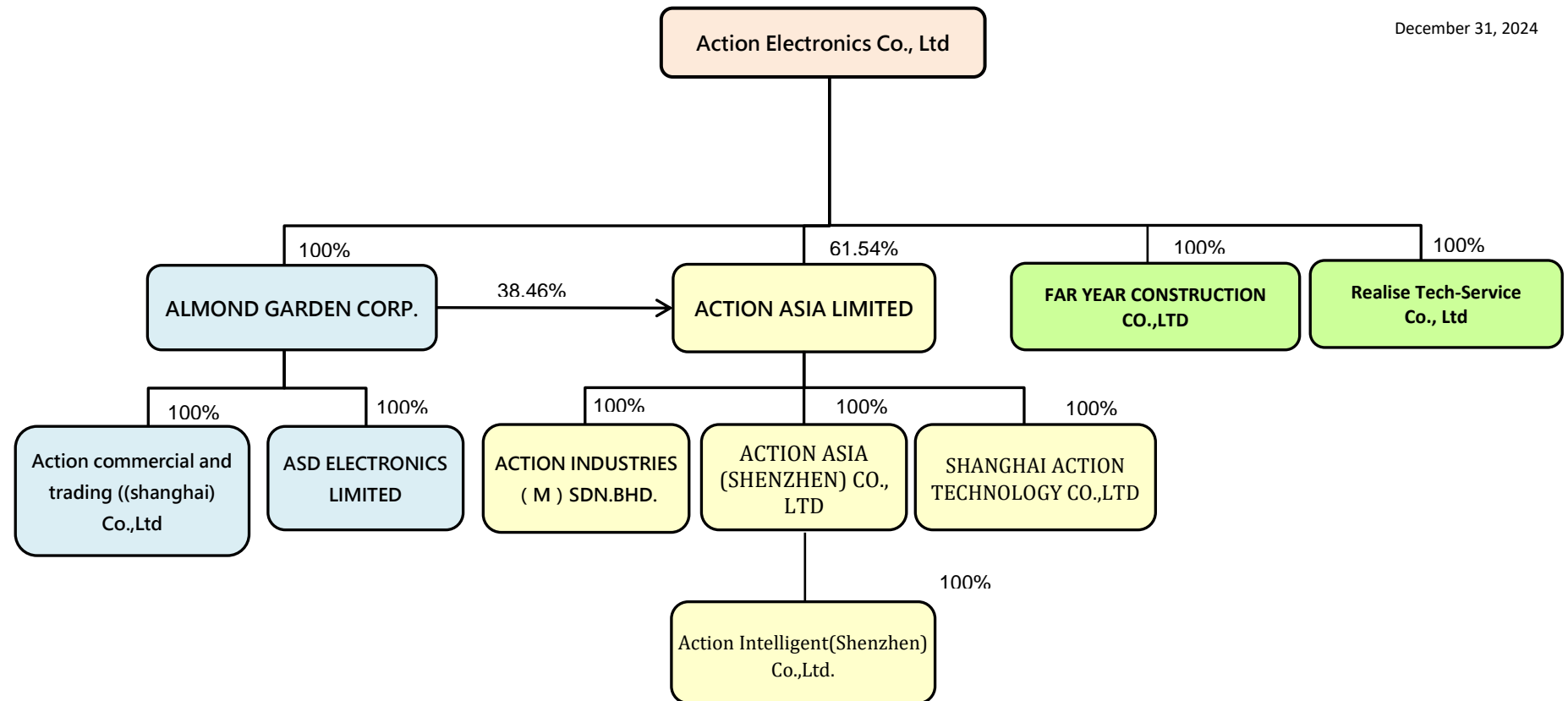
5-7 、 Other important matters: None.

VI 、 Special Notes

6-1 、 Information of associated enterprises

(1) Information of associated enterprises

1. Organizational Chart of Associated Enterprise Consolidated Financial Statement of Associated Enterprises Organizational Chart of Associated Enterprise.



(1) The Company does not have the conditions determined to be a controlling or subordinate relationship under Article 369-3 of the Company Act: None

(2) The Company does not have the conditions determined to be a controlling in personnel, finance and business directly or indirectly under Article 369-2 of the Company Act: None

2. Basic Information for the Affiliates

December 31, 2024 Unte:dollars					
Name of Corporation	Date of establishment	address	Paid-in Capital		Maior Business/Production Items
ACTION ASIA LIMITED	August 2,2002	77 Robinson Road, #13-00 Robinson 77, Singapore 068896.	SGD	26,768,808	Holding Company
ACTION INDUSTRISES (M) SDN.BHD.	December 8,1987	2480,TINGKAT PERUSAHAAN ENAM, PRAI FREE TRADE ZONE,13600 PERAI, PENANG, MALAYSIA.	RM	13,200,000	Manufacturing and selling of LCD TV for Auto
SHANGHAI ACTION TECHNOLOGY CO.,LTD	February 3, 2004	333 Xingbang Road, Jiading Industrial Zone, Shanghai, China	RMB	97,062,981	Warehousing Services
Action commercial and trading (shanghai) CO.,ltd	November 22,1994	333 Xingbang Road, Jiading Industrial Zone, Shanghai, China	RMB	129,994,400	LCD TV products
ACTION ASIA (SHENZHEN) CO., LTD	February 4,2005	Room 201, Jinxing Industrial Park, Jian'an Road, Zhancheng Community, Fuhai Street, Baoan District, Shenzhen	RMB	28,100,004	Manufacturing and sales of auto electronical products and accessories services
Action Intelligent(Shenzhen) Co.,Ltd.	Sepertember 7,2016	Room 201, Jinxing Industrial Park, Jian'an Road, Zhancheng Community, Fuhai Street, Baoan District, Shenzhen	RMB	400,000	R&D and sales of AI products
ALMOND GARDEN CORP.	July 29,1994	CITCO BUILDING, WICKHAMS CAY, P.O. BOX 662, ROAD TOWN, TORTOLA, BRITISH VIRGIN ISLANDS.	HKD	92,578,627	Holding Company
ASD ELECTRONLCS LIMITED	July 9, 2004	Unit 903,9/F · Tower 2 Enterprise square.No.9,Hong Kong	HKD	4,175,000	R&D and sales
REALISE TECH-SERVICE CO.,LTD	November24,1998	New North City Triple Zone Rerot Road 5 section 609 Lane 4 8F 9	NTD	60,000,000	Sales and maintenance services of electrical products
FAR YEAR CONSTRUCTION CO.,LTD	June25,2019	198 Zhongyuan Road, Zhongyuan District, Taoyuan City	NTD	400,000,000	Real Estate development

Note1 : Regardless of its businee size, all affiliates shall be disclosed

Note2 : The name, date of establishment,address and main products of the affiliate which has factory should be listed if the sales of its products exceeds 10% of revenue of the controlling company.

Note3 : If the affiliate is a foreign company, the name, address of the affiliates can be expressed in English. The date of establishment can be expredded in AD date andpaid-in capital in foreign currency. °

3 、 Data for Common Shareholders of Treated as Controlled Companies and Affiliates: None

4 、 Bussiness scope of Affiliated Enterprises

The business of the Company and its affiliates includes:

- (1)Electronic Components Manufacturing
- (2)The sales of Home Appliances
- (3)Investment
- (4)Import and Export
- (5)Leasing of Warehousing and Storage

5. Directors, Supervisors and Presidents of Affiliated Enterprises

December 31, 2024; Unit : Share (Except for specially noted)

Company	Title	Name or representative	ShareHolding	
			Shares	%
Almond Garden Corp.(Note1)	Director	Peng, Chiun-Ping	12,705,000	100.00%
	Director	Chao, Teng Pang		
	Director	Peng, Ting-Yu		
Action Asia Limited(Note1)	Director	Chao, Teng Pang	120,435,546	61.54%
	Director	Peng, Ting-Yu	75,278,052	38.46%
	Director	Chow Hong Luen Irwin		
Realise Tech-Service Co., Ltd (Note.1)	Director	Representative: Chao, Teng Pang Peng, Ting-Yu Liu, Chiu Chi Guo, Jianli Gao Shixiang Vicent Weng Guo Jian-Li	6,000,000	100.00%
	Director			
	Director			
	Director			
	supervisor			
	General Manager			
Far Year Construction Co., Ltd(Note.1)	Chairman	Representative: Peng, Chiun-Ping Chao, Teng Pang Jin -Wan Tsai Jeffery Peng Wen Yu Mei Tsai Jin-Wan	40,000,000	100.00%
	Director			
	Director			
	Director			
	General Manager			
ASD Electronics Limited (Note2)	Chairman	Peng Ting-Yu	4,175,000	100.00%
	Director	Chao Teng Pang		
	Director	Luo Wanhua		
Action Industries(M) Sdn.Bhd.	Chairman	Peng Ting-Yu	13,200,000	100.00%
	Director	Peng Chiun-Ping		

Company (Note.3)	Title	Name or representative	ShareHolding	
			Shares	%
	Director	Chao, Teng Pang		
	Director	Peng, Ching-soon		
	Director	Chew Ah Tee		
	General Manager	Chew Ah Tee		
Name of Corporation (Note1)	Title	Name or representative	ShareHolding	
			Shares	%
Shanghai Action Technology Co., Ltd (Note.3)	Chairman	Peng Chiun-Ping	Capital Contribution USD14,000,000	100.00%
	director	Wu Wenyuan		
	director	Peng Jeffery		
	director	Peng Hsiu-yun		
	director	Peng Ting-Yu		
	supervisor	Chao Teng Pang		
	General Manager	Peng Hsiu-yun		
Action commercial and trading (shanghai) CO., Ltd (Note.2)	Chairman	Peng Hsiuyun	Capital Contribution USD16,000,000	100.00%
	director	Peng Jeffery		
	director	Lian Hongyuan		
	director	Chao Teng Pang		
	General Manager	Peng Hsiu-yun		
Action Asia (Shenzhen) Co., Ltd. (Note.3)	Chairman	Peng Ting-Yu	Capital Contribution HKD30,000,000	100.00%
	Vice Chairman	Chao Teng Pang		
	director	Peng Chiun-Ping		
	director	Peng Chiun-Tian		
	director	Peng Hsiuyun		
	director	Wen Yu mei		
	director	Luo Wan Hua		
	supervisor	Liu Chiu Chi		
	General Manager	Luo Wan Hua		
Action Intelligent (Shenzhen) Co., Ltd . (Note.4)	Chairman	Peng Ting-Yu	Capital Contribution RMB 400,000	100.00%
	director	Chao Teng Pang		
	director	Chew Ah Tee		
	director	Luo Wan Hua		
	supervisor	Xie Yong li		
	General Manager	Luo Wan Hua		

Note 1: Directly invested by ACTION ELECTRONICS CO., LTD: Almond Garden Corp., Action Asia Limited, Realise Tech-Service Co., Ltd., Far Year Construction Co., Ltd

Note 2: Indirectly invested by ACTION ELECTRONICS CO., LTD, and directly invested by Almond Garden Corp.: ASD ELECTRONICS LIMITED, Action commercial and trading (shanghai) CO., Ltd.

Note 3: Indirectly invested by the Company, and directly invested by ACTION ASIA LIMITED: ACTION INDUSTRIES (M) SDN.BHD., Action Asia (Shenzhen) Co., Ltd., Shanghai Action Technology Co., Ltd.

Note 4: Indirectly invested by ACTION ELECTRONICS CO., LTD, and directly invested by Action Asia (Shenzhen) Co., Ltd: Action Intelligent (Shenzhen) Co., Ltd.

(2) Operating Performance of Affiliated Enterprises

Financial Results and Operating Performance of Affiliated Enterprises

Unit : NT\$ Thousand (Except for specially Noted)

Name of Corporation	Paid-in Capital	Total Assets	Total Assets	Net Worth	Net Revenues	Operating Income(Loss)	Net Income (After Tax)	EPS (NT\$)
ACTION ELECTRONICS CO.,LTD	2,771,575	3,745,432	706,984	3,038,448	518,817	(68,183)	183,726	0.66
ACTION ASIA LIMITED	645,931	2,014,670	17,350	1,997,320	0	(1,930)	135,154	0.69
SHANGHAI ACTION TECHNOLOGY CO.,LTD	434,648	957,645	42,974	914,671	129,745	64,479	56,758	0.58
ACTION INDUSTRISES (M) SDN.BHD.	96,695	368,951	187,864	181,087	303,571	32,824	33,995	2.58
ACTION ASIA (SHENZHEN) CO., LTD	127,229	912,896	65,511	847,385	380,832	41,534	60,160	2.14
Action Intelligent(Shenzhen) Co., Ltd	1,791	9,377	3,511	5,866	24,052	1,249	1,333	3.33
ALMOND GARDEN CORP.	390,867	826,873	180	826,693	0	(838)	50,572	3.98
ASD ELECTRONICS LIMITED	17,627	13,179	462	12,717	6,445	(1,346)	513	0.12
REALISE TECH-SERVICE.,LTD	60,000	104,827	53,171	51,656	227,198	3,818	4,113	0.69
Far Year Construction Co., Ltd	400,000	1,275,453	786,802	488,651	1,137,349	139,553	113,579	4.59
Action commercial and trading (shanghai) CO.,ltd	582,115	33,769	1,012	32,757	0	(74)	(76)	0

(3) Consolidated Financial Statements of Affiliated Enterprises

The Company required to prepare the consolidated financial statements of affiliated enterprises in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" for 2024 (from January 1, 2024 to December 31, 2024) are the same as the companies required to prepare the consolidated financial statements of parent and subsidiary companies according to International Financial Reporting Standard 10. The relevant information to be disclosed in the consolidated financial statements of affiliated enterprises has already been disclosed in the aforementioned consolidated financial reports of parent and subsidiary companies. Therefore, separate preparation of the consolidated financial statements of affiliated enterprises will not be carried out. For related information, please refer to the Market Observation Post System/Single Company/Electronic Books/Affiliation Reports Section, at the website: https://mopsov.twse.com.tw/mops/web/t57sb01_q10.

6-2 、 Private Placement Securities as of the Date of Printing of the Annual Report in most recent years: None.

6-4 、 Other matters requiring supplementary information: None

VII 、 Matters with important impacts on shareholders' equity and security Price

Disclosures of Events Which May Have a Significant Influence on Stockholders' Equity or Share Price, in Compliance with Item 2, Paragraph 2 In Article 36 of the Securities and Exchange Law of the R.O.C. during 2020 and as of the Annual Report Printing Date: None.