



Action Electronics Co., LTD.

Handbook for the 2026 Annual Meeting of Shareholders

English Translation

Time of Meeting: 9:00 am on May 12 (Tuesday) ,2026

**Location of Meeting: 2F., No. 7, Wenxin St., Luzhu Dist., Taoyuan City
(Physical Shareholders Meeting)**

(Where any discrepancy arises between the English translation and Chinese version, the Chinese version prevail)

Table of Contents

1. Meeting Procedure	P1
2. Meeting Agenda	P2
(1) Report items	P3
(2) Ratification items	P11
(3) Discussion items	P13
(4) Election items	P14
(5) Other Matters	P14
(6) Extemporary Motions	P15
(7) Adjournment	P15
3. Attachments	
(1) 2025 Financial Statements	P16
(2) Directors and Independent Directors Candidates List	P49
4. Appendixes	
(1) Rules of Procedure for Shareholder Meetings	P52
(2) Articles of Incorporation	P56
(3) Regulations Governing the Election of Directors and Independent Directors	P62
(3) Shareholdings of Directors and Independent Directors	P64

Action Electronics Co., LTD.
Procedure for the 2026 Annual Meeting of Shareholders

- 1. Report of Number of Shares Represented by Attendees**
- 2. Meeting Commencement Announcement**
- 3. Chairperson's Address Report Items**
- 4. Report Items**
- 5. Ratification Items**
- 6. Discussion items**
- 7. Election items**
- 8. Other Matters**
- 9. Extemporaneous Motions**
- 10. Adjournment**

Action Electronics Co., LTD.

Agenda of 2026 Annual Meeting of Shareholders

Time of Meeting: 9:00 am on May 12 (Tuesday) ,2026

**Location of Meeting: 2F., No. 7, Wenxin St., Luzhu Dist., Taoyuan City
(Physical Shareholders Meeting)**

I、 Report items:

- (1) 2025 Business reports.
- (2) Audit Committee's report for 2025 audited financial reports.
- (3) Report on the Distribution of 2025 Employees' and Directors' Remuneration.
- (4) Report on Endorsements and Guarantees Provided by the Company.

II、 Ratification items

- (1) Adoption of the 2025 Business Report and Financial Statements.
- (2) Adoption of the 2025 Earnings Distribution Proposal.

III、 Discussion items

- (1) Amendment to the Articles of Incorporation.

IV、 Election items

- (1) General Election of Directors.

V、 Other Matters

- (1) Proposal to Release the Non-competition Restrictions on the Newly Elected Directors and Their Representatives.

VI、 Extemporary Motions

VII、 Adjournment

I 、 Report Items:

(1) Reports for Business status in 2025

2025 Business Report

We extend our sincere appreciation to all the shareholders who attended our 2026 Annual Shareholders' Meeting and for your unwavering support and trust in Action Electronics Co., Ltd. throughout the years. The Company's operations encompass three distinct business groups (brand operations, automotive electronics, and asset activation) with bases and markets spanning Taiwan, Shenzhen, Shanghai, Malaysia, the United States, and the Middle East. In the year 2025, the heightened economic uncertainty caused by global turmoil, including supply chain restructuring, led to the activation of the Board of Directors' established "333 Transformation Strategy" to lay the foundation for future growth.

In retrospect, in 2025, the global economy faced multiple pressures such as US-China technological competition, geopolitical conflicts, tariff policy adjustments, and interest rate fluctuations, leading to conservative end-user demand and customer inventory adjustments. The Company's automotive electronics export business has also been affected. However, through the group's China+1 supply chain strategy, cost control, and product structure optimization, we have maintained stable operations. Since the previous year, the Company's home appliance brand KOLIN (歌林) has promoted an adjustment in its operational model, transitioning from traditional product sales to a brand management structure characterized by "asset-light," "high gross margin," and "high market share," while also reducing non-competitive products and customers. Although the short-term revenue scale decreased compared to the previous year, the overall structure and operating performance have significantly improved. The newly launched products have received positive market attention, indicating the transformation is on the right track. Asset revitalization endeavors in the "Action intelligence park" in Taiwan in 2025, although generating high revenue for the company as expected, saw decreased comparison over the two phases in 2025 compared to the previous year. This is because the handover of the first-phase construction was primarily concentrated in the fourth quarter of 2024 and completed in early 2025. Additionally, as the company needed to achieve a high floor area ratio reward that year, it had to use a portion of its reserved units (retained units) as a condition at the time of transaction. According to the accounting treatment regulations of the competent authority, these reserved units could only be recognized in the accounts at their original acquisition cost and could not fully reflect their market value (see 2025 consolidated financial report, page 40, note). The warehousing park in Mainland China continues to

operate steadily but is affected by the local economic cycle, leading to a shift towards prudent management operations.

Overall, in 2025, the group's annual consolidated revenue was NT\$1,711,971,000, representing a decrease of approximately 31% compared to 2024. This was influenced by the fact that the revenue recognition period for the handover of the first-phase construction of the "Action intelligence park" was concentrated in the previous year, raising the comparative baseline. The overall revenue change was mainly due to differences in the timing of project recognition, which is a temporary factor and does not affect the group's long-term operational direction and core competitiveness.

In terms of profitability, the net profit after tax for 2025 was NT\$76,230,000, representing a decrease of approximately 59% compared to 2024. The main reason for the decrease is that the previous year recognized higher profits from the handover of construction projects, which raised the comparative baseline.

The management results of 2025 and prospects for 2026 are reported as follows:

(I) 2025 Business Results

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

The Company's net sales revenue for 2025 was NT\$1,711,971,000, representing a decrease of 31% compared to the sales revenue of NT\$2,495,322,000 in 2024. The net profit after tax for 2025 was NT\$76,230,000, representing a decrease of 59% compared to the net profit after tax of NT\$183,726,000 in 2024.

Unit: In NT\$ thousand

Item	2025	2024
Operating revenues	1,711,971	2,495,322
Operating Interests	130,397	242,480
Income (loss) before tax	120,110	258,353
Income (loss) after tax	76,230	183,726

2. Financial Structure Ratio Analysis (consolidated financial report):

The net cash outflow from operating activities for 2025 was NT\$174,900,000, net cash outflow from investing activities was NT\$351,288,000, and net cash inflow from financing activities was NT\$377,029,000. Cash and cash equivalents decreased by NT\$140,930,000, resulting in an ending balance of NT\$809,256,000.

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

Item		2025	2024	
Return on Investment Analysis (%)	Return on Total Assets	1.82%	4.02%	
	Return on Total Equity	2.53%	6.28%	
	Percentage of Paid-in Capital	Operating Interests	4.70%	8.75%
		Income Before Tax	4.33%	9.32%
	Net Profit Margin	4.45%	7.36%	
	Earnings per Share After Tax	NT\$0.28	NT\$0.66	

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

In 2025, the Company invested NT\$33,560,000 in research and development, continuously focusing on the development of innovative products to enhance product competitiveness and technical capabilities, demonstrating the Company's emphasis and commitment to long-term operational development and sustainable management.

(II) 2026 Business Plan

1. Business strategy guidelines:

The Company fully promotes its business strategy based on the four main principles of "Collaboration," "Innovation," "Carbon Reduction," and "Sustainability."

- (1) Collaboration: Establish a product ecosystem through win-win partnership cooperation, and expand sales channels through platform business concepts, achieving sales growth and brand influence.
- (2) Innovation: Continuously optimize internal key operations to build a more efficient and resilient supply chain, and consistently apply new technologies to integrate market demands and consumer trends to provide optimized products.
- (3) Carbon reduction: Implement the competent authority's requirements to prepare greenhouse gas inventory reports and promote carbon reduction awareness in both work and life, while supporting the green energy industry.
- (4) Sustainability: Focus on and achieve the "Four Satisfactions" (employees, customers, shareholders, society), starting with prioritizing the cultivation of internal talent, promote sustainable business operations in combination with the company's long-term development strategy, to achieve continuous growth and value creation.

2. Expected sales volume and major production and sales policies:

The main business activities of the Company and its subsidiaries cover the operation of well-known brands in Taiwan, installation, maintenance, and after-sales warranty services for home appliances, research, development, manufacturing, and sales of automotive electronic products, as well as real estate development, sales, and leasing across the Taiwan Strait.

- (1) Brand Management Business: Since the previous year, the home appliance brand KOLIN (歌林) has promoted an adjustment in its operational model, re-positioning itself in the market to cater to the trends of declining birth rates, smaller housing, and younger consumer preferences. It has emphasized product and brand licensing, shifting towards an asset-light and high gross margin structure. Additionally, there is a subsidiary responsible for providing a comprehensive after-sales service network for all home appliance products, with locations spread across Taiwan. The service targets not only the Kolin brand but also products from over a dozen other domestic and international brands.
- (2) Automotive Electronics Business: The global automotive infotainment market is experiencing steady growth, with demand continually increasing due to the widespread application of AI and autonomous driving technologies. In 2026, the company continues to focus on integrating and developing the China+1 (Malaysia) supply chain. In addition to the rear seat entertainment (RSE) and infotainment products for the existing passenger car application market, the company further cultivates special application markets such as marine, heavy-duty vehicles, and caravan automotive electronics. Leveraging the company's R&D and manufacturing foundation in semi-built-in automotive electronics, we are adding new customers to expand market share and pursue growth.
- (1) Asset Activation Business System: In the Shanghai area, providing internationally standard logistics park warehousing to maintain a high rental rate and create stable profitability for the group. At the former site of the Action Group headquarters in Taiwan, the Action intelligence park has been established, featuring a completed 13-story factory-office building and a second 21-story factory-office building under construction. Both buildings focus on smart and green architecture, enhancing asset revitalization by accumulating future value in addition to serving internal business development.

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

In Taiwan's home appliance market, the industry has gradually shifted from price

competition to competition in product capabilities and after-sales service quality. Affected by the real estate market conditions, the large home appliance market is in decline in 2025. However, due to the impacts of declining birth rates, the trend of smaller homes, and an aging population, consumer demand for intelligent, user-friendly products that better represent personal lifestyle is continuously increasing. The demand for products suitable for individuals or small homes, however, is steadily growing. Under the Company's Kolin brand, which has been deeply rooted in the Taiwanese market for over sixty years, there is a comprehensive after-sales service system and brand foundation. In recent years, it has promoted a transformation in its operational model, adjusting from a traditional sales model to an "asset-light and high Grossmargin" brand licensing and product management framework. The focus on products with three enhancements aims to improve sales turnover ratio and Grossmargin, directly increasing the flexibility of capital utilization. In terms of competitive environment, the main competition comes from Japanese, Korean, and Chinese brands, with the focus of competition centered on product design, energy efficiency, multifunctionality, and channel integration capability. The Company will continue to enhance brand value and market positioning through brand licensing cooperation, new product planning, and the advantages of its after-sales service network.

In terms of regulations, the government continues to promote energy efficiency standards, product safety regulations, and carbon disclosure systems, raising compliance requirements for the home appliance industry. The Company has established quality and compliance mechanisms, incorporating energy-saving and environmentally friendly product design to align with the trend of sustainable development.

The global automotive electronics industry continues to grow with the development of intelligence, electrification, and digitization. The demand for in-car infotainment systems, rear-seat entertainment systems (RSE), and smart cockpit-related products is steadily increasing. Especially in niche markets such as RV, marine, and power sports, there is long-term growth potential for customized and high-quality demand. The Company continues to invest in automotive electronics R&D and product optimization, enhancing delivery stability and cost competitiveness through Taiwan, Malaysia, and Southeast Asia's China+1 supply chain strategy. We deepen cooperation with international clients and expand our market base. However, new challenges have recently emerged in the global semiconductor supply chain. Due to the significant growth in demand for generative AI and high-performance computing, major memory manufacturers are prioritizing capacity allocation for AI-related products. This has constrained the supply for traditional computer and automotive memory, leading to the risk of increased prices

and extended delivery times for some automotive DRAM and Flash. Automotive electronics have higher requirements for memory quality and long-term supply. Supply fluctuations may impact product costs and delivery times. For this reason, the Company has mitigated the impact through safety stock management, supplier diversification, modular design, and cost control mechanisms to maintain supply stability and product competitiveness.

In terms of regulations, automotive products must comply with safety certifications, information security regulations, and environmental laws. The Company continuously strengthens its quality and certification systems to meet customer requirements and reduce operational risks.

In terms of asset revitalization, the company establishes a stable source of income through the development and operation of Taiwan's "Action Intelligence Science and Technology Park" and the Shanghai logistics park, to balance the cyclical fluctuations of the manufacturing and brand businesses. The Taiwan real estate market is influenced by interest rates and policies, and should be viewed conservatively with regard to the market. The Action Intelligence Science and Technology Park is positioned with a focus on smart and green architecture, supporting internal needs while also offering long-term rental income and asset value enhancement, and is seeking new project targets. The logistics and warehousing market in China is affected by economic cycles, but there is still fundamental support from e-commerce and supply chain demand. The Shanghai logistics park of the company maintains a stable rental rate, providing stable cash flow and reducing operational fluctuations.

In terms of regulations, the real estate business must comply with land use, tax, and financial policy regulations. The Company adopts conservative investment and financial strategies to reduce risks from market and policy changes.

Overall, the global economy still faces uncertainties such as geopolitical issues (including the recent attack on Iran), tariff policies, inflation, and interest rate changes, increasing operational risks for export industries. The Company will continue to strengthen supply chain resilience, exchange rate, and cost management, and reduce reliance on a single market through multi-location production layout.

In terms of the company's long-term strategy, we will continue to promote the "333 Transformation Strategy" with a focus on growth through the three main businesses of

automotive electronics, brand management, and asset activation. We will enhance R&D investment, introduce new technologies, and cultivate talent to improve overall competitiveness and operational resilience.

In summary, the home appliance brand provides stable brand income, automotive electronics drive long-term growth momentum, and asset activation offers stable cash flow and asset value support. These three businesses complement each other to form the company's next phase growth curve. Despite challenges in the global economic and industrial environment, the Company has gradually established a framework for long-term growth with a solid financial foundation, multinational supply chain strategy, and the three major business strategies. In the future, under the premise of risk management, we will continue to enhance revenue, profit, and asset value to create long-term stable returns for shareholders.

Wishing everyone good health and family well-being.

Action Electronics Co., Ltd.

President: Peng Ting-Yu

Manager: Peng Hsiu-Yun

Chief Accountant : May Huang

(2) Audit Committee's report for 2025 audited financial reports.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2025 Business Report Financial Statement, and Earnings Distribution Proposal. The Financial Statements has been duly reviewed and approved PricewaterhouseCoopers, Taiwan Wu Ren-Jie and Lin Ya-hui with the issuance of auditor's Report. The Business Report, Financial Statements, and Earnings Distribution Proposal have been reviewed and determined to be correct and accurate by the Audit Committee. Per the regulation in Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

To:

2026 General Shareholders' Meeting of Action Electronics CO., LTD

Convenor of Audit Committee: Tang Peng Chin

Date: March 12, 2026

(3) Report on the Distribution of 2025 Employees' and Directors' Remuneration.

Contents:

1. According to Article 29 of the Company's Articles of Incorporation, where the Company makes a profit in the year, not less than 1% of employee remuneration and not more than 3% of director's remuneration shall be appropriated. Not less than 1% of the employee remuneration amount shall be allocated as a distribution for grassroots employees.

(1) Employees' Remuneration is NT\$2,532,087.

(2) Directors' Remuneration is NT\$2,532,087.

2. Employees' and Directors' Remuneration will be distributed by cash.

(4) Report on Endorsements and Guarantees Provided by the Company.

In NT\$ thousand

Endorsements / Guarantees	Party being endorsed/guaranteed		Limit on endorsem ent amount provided to each guarantee d party	Maximum balance for the period	Percentage of accumulated guarantee amount to net assets value per latest financial statements
	Company name	Relationshi p with the endorser/ Guarantor			
Action Electronics CO.,LTD	Far Year Construction CO., LTD	Subsidiary	1,200,000	1,200,000	40.17
Action ASIA Limited.	Action Industries (M) SDN. BHD.	Subsidiary Reinvestment company	88,886	86,079	2.88

II、Ratification items:

Proposal 1 : Adoption of the 2025 Business Report and Financial Statements
(Proposed by Board of Directors)

Contents:

(1) Action Company's Financial Statements, including Consolidated Balance Sheets, Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, Parent Company Only Balance Sheets, Parent Company Only Statements of Comprehensive Income, Parent Company Only Statements of Changes in Equity, and Parent Company Only Statements of Cash Flows, were audited by independent auditors, Wu Ren-Jie and Lin Ya-hui of PricewaterhouseCoopers Taiwan. Also Business Report and Final Statements have been approved by the Board and examined by Audit Committee.

(2) The 2025 Business Report pp. [3-9]., independent auditors' audit report, and the above-mentioned Financial Statements are attached in attachment 1, pp. [16-48].

Resolution:

Proposal 2 : Adoption of the 2025 Earnings Distribution Proposal
(Proposed by Board of Directors)

Contents:

(1)The Board has adopted a Proposal for Distribution of 2025 Profits in accordance with the Company Act and Articles of Incorporation. Please refer to the 2025 Profit Distribution Table below.

Action Electronics CO., LTD

Profit Distribution Table

Year 2025

(Unit: In NT \$)

Items	Amount
Beginning retained earnings	\$ 69,665,414
Add: Recognition of remeasurements of the defined benefit plan in retained earnings	489,344
Net profit after tax	76,229,130
Earnings available for distribution	76,718,474
Less: 10% legal reserve	-7,671,847
Special reserves	-17,211,708
Distributable net profit	121,500,333
Distributable items:	
Dividend to shareholders	-60,974,649
Unappropriated retained earnings	\$ 60,525,684

(2) The Company proposed to distribute Cash dividends of NT\$0.22 Per share for 2025 which amounted to NT\$ 60,974,649 in total.

(3) 1. 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.
2. 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.
3. 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.

Resolution:

III 、 Discussion items:

(Proposed by Boards of Directors)

Proposal: Amendment to the Articles of Incorporation.

Contents:

1. To accommodate the company's future business development and enhance the flexibility and diversity of the Board of Directors' operations, it is proposed to amend part of "Articles of Incorporation".
2. A comparison table of the amended articles is available for inspection.

Article No.	Amended Article	Current Article	Contents of the Revision
15	The Company shall have <u>between seven and thirteen directors, with the exact number to be determined by the Board of Directors.</u> Directors shall serve for a term of three years and may be re-elected by the shareholders' meeting, selecting individuals who are capable of acting. The number of shares held by all directors in the preceding paragraph shall not be less than the percentage prescribed by the competent securities authorities. (Paragraph 3-4: Content skipped as it remains unchanged)	The Company shall have eleven directors for a term of three years, who shall be re-elected by the shareholders' meeting for a term of three years and who are capable of acting. The number of shares held by all directors in the preceding paragraph shall not be less than the percentage prescribed by the competent securities authorities. (Paragraph 3-4: Content skipped as it remains unchanged)	To enhance the flexibility of the Board of Directors' operations and meet the company's future business development needs.
33	Article 33: (Content skipped as it remains unchanged) The forty-first amendment was made on June 20th, 2025.	Article 33: (Content skipped as it remains unchanged) The forty-first amendment was made on June 20th, 2025.	Revision date added.

	<p>The forty-second amendment was made on May 12th, 2026.</p>		
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IV、 Election items:

(Proposed by Boards of Directors)

Proposal: General Election of Directors.

Contents:

1. The term of the current directors will expire on June 25, 2026, and complete re-election is proposed at this General Shareholders' Meeting.
2. This time, 11 directors (including 4 independent directors) will be elected. In accordance with Article 192-1 of the Company Act and Article 15 of the Articles of Incorporation, a candidate nomination system will be adopted, and shareholders shall elect from the list of director candidates. The term is three years, from May 12, 2026, to May 11, 2029. The term of the current directors (including 3 independent directors) will last until the completion of this General Shareholders' Meeting.
3. The list of candidates for the Company's Directors (including independent directors) has been reviewed and approved by the Board of Directors. Please refer to Attachment 2, pp. [49-51] of this manual for the list of candidates and relevant information.
4. The election is hereby proposed.

Election results:

V、 Other Matters:

(Proposed by Boards of Directors)

Proposal: Proposal to Release the Non-competition Restrictions on the Newly Elected Directors and Their Representatives.

Contents:

1. According to Article 209 of the Company Act, "If a director engages in activities for themselves or others that fall within the scope of the company's business operations, they must explain the important details of their activities to the shareholders' meeting and obtain its approval." Shall be handled in accordance with the regulations.
2. To leverage the expertise and relevant experience of the directors, it is proposed to release the restrictions on non-compete obligations for the newly-appointed directors and their representatives, effective from the date of their appointment.
3. Please refer to the table below for the details of other company positions concurrently held

by the candidates for directors (including independent directors) this time.

Category	Name	Concurrent positions
Director	Peng Ting-Yu	Representative for a corporate director of Clientron Corp.
		Representative for a corporate director of Green Rock Energy Co., Ltd.
Director	Wen Yu mei	Chairperson of You Yuan Lai Investment Ltd.
		Director of Dede Technology (SHENZHEN) Co., Ltd.
Director	Tsai Jin wan, Representative of Shin Chuan Yuan Investment Co., Ltd	Chairperson of Shin Chuan Yuan Investment Co., Ltd
		Director of Dede Technology (SHENZHEN) Co., Ltd.
Director	Peng Po-Chang	Chairperson of Dabo Investment Co., Ltd.
Independent director	Tang Peng Chin	Chairperson of Global Securities Investment Advisory Co., Ltd.
		Independent director of KINGZA International CO., LTD. Ltd
		Director of 渴樂園有限公司, a company operating Dante Coffee.
Independent director	Yen Tzong Ming	Independent Director of Machvision Inc.
Independent director	Chang Zhi-Yuan	Independent director of Bright Led Electronics Corp.
		Independent director of Green Rock Energy Co., Ltd.
Independent director	Hung Chia-Chun	Chief Finance Advisor of Bafang Yunji International Co., Ltd.

Resolution:

VI 、 Extemporary Motions

VII 、 Adjournment

Attachment 1

ACTION ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2025 AND 2024

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

ACTION ELECTRONICS CO., LTD. AND SUBSIDIARIES
DECEMBER 31, 2025 AND 2024 CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
TABLE OF CONTENTS

<u>Contents</u>	<u>Page</u>
1. Cover Page	1
2. Table of Contents	2 ~ 3
3. Declaration of Consolidated Financial Statements of Affiliated Enterprises	4
4. Independent Auditors' Report	5 ~ 11
5. Consolidated Balance Sheets	12 ~ 13
6. Consolidated Statements of Comprehensive Income	14
7. Consolidated Statements of Changes in Equity	15
8. Consolidated Statements of Cash Flows	16 ~ 17
9. Notes to the Consolidated Financial Statements	18 ~ 80
(1) History and Organisation	18
(2) The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation	18
(3) Application of New Standards, Amendments and Interpretations	18 ~ 20
(4) Summary of Material Accounting Policies	20 ~ 33
(5) Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty	33 ~ 34

Contents	Page
(6) Details of Significant Accounts	34 ~ 64
(7) Related Party Transactions	65 ~ 66
(8) Pledged Assets	67
(9) Significant Contingent Liabilities and Unrecognised Contract Commitments	67
(10) Significant Disaster Loss	67 ~ 68
(11) Significant Events after the Balance Sheet Date	68 ~ 77
(12) Others	77
(13) Supplementary Disclosures	78 ~ 80
(14) Segment Information	

ACTION ELECTRONICS CO., LTD.

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31, 2025, pursuant to “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises,” the entities that are required to be included in the consolidated financial statements of affiliates are the same as those required to be included in the consolidated financial statements of parent and subsidiary companies under International Financial Reporting Standard No. 10. Also, if relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies, it shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declare,

ACTION ELECTRONICS CO., LTD.

Representative: Peng Ting-Yu

March 12, 2026

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Action Electronics Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Action Electronics Co., Ltd. and subsidiaries (the "Group") as at December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2025 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2025 consolidated financial statements are stated as follows:

Intangible assets - impairment of trademark right

Description

Refer to Note 4(19) for accounting policy on impairment of non-financial assets, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to intangible assets - impairment of trademark right and Note 6(11) for details of intangible assets - trademark right.

The Group's intangible assets are mainly the Kolin trademark. The impairment was tested based on the recoverable amount which was measured using the present value of expected future cash flows discounted at an appropriate discount rate. Since the expected future cash flow involves a financial forecast for the next 5 years, and the assumptions applied in the preparation of the forecast are dependent upon subjective judgements and contain a high degree of uncertainties, which have a significant impact on the measurement of recoverable amount, and further affect the estimates of impairment of trademark, we consider the impairment assessment of intangible assets a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

- A. Obtained an understanding and assessed the process in which the management estimated future cash flows of such cash-generating unit, and reconciled the future cash flows used with the future annual budget provided by operating segments.
- B. Obtained an understanding on the procedure and basis for determining assumptions used by the management to forecast future cash flows.
- C. Assessed the key assumptions used by the external appraiser engaged by management in the estimation of future cash flows, including assessing the reasonableness of expected operating revenue, gross profit and changes in expenses by comparing to historical results.
- D. Reviewed the parameters of discount rates, including the reasonableness of risk-free rate of cost of equity, market risk premium, securities risk premium and size risk premium.

Other matter – Issuance of an auditors’ report on the parent company only financial reports

We have audited and expressed an unmodified opinion on the parent company only financial statements of Action Electronics Co., Ltd. as at and for the years ended December 31, 2025 and 2024.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

- A. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- E. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Wu, Jen-Chieh

Lin, Ya-Hui

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 12, 2026

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

ACTION ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Assets	Notes	December 31, 2025		December 31, 2024	
		AMOUNT	%	AMOUNT	%
Current assets					
1100	Cash and cash equivalents	6(1)	\$ 809,256	\$ 950,186	21
1110	Current financial assets at fair value through profit or loss	6(2)	93,752	50,355	1
1120	Current financial assets at fair value through other comprehensive income	6(3)	36,712	71,579	2
1136	Current financial assets at amortised cost	6(1)	203,900	62,075	1
1170	Accounts receivable, net	6(4) and 7	100,589	149,013	3
1200	Other receivables		20,129	1,596	-
1210	Other receivables due from related parties	7	54,639	21,546	-
1220	Current tax assets		9,909	833	-
130X	Inventory	6(5) and 8	945,367	1,082,462	23
1410	Prepayments	7	111,019	80,771	2
1476	Other current financial assets	6(1)	16,660	1,971	-
1479	Other current assets, others		33,869	33,663	1
11XX	Current Assets		<u>2,435,801</u>	<u>2,506,050</u>	<u>54</u>
Non-current assets					
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	22,972	28,000	1
1550	Investments accounted for using equity method	6(6)	519,487	578,362	12
1600	Property, plant and equipment	6(7) and 8	207,778	174,604	4
1755	Right-of-use assets	6(8)	28,444	44,629	1
1760	Investment property, net	6(10) and 8	1,216,043	1,017,275	22
1780	Intangible assets	6(11)	198,646	204,534	4
1840	Deferred income tax assets	6(26)	107,470	76,127	2
1900	Other non-current assets	6(15) and 8	11,788	14,252	-
15XX	Non-current assets		<u>2,312,628</u>	<u>2,137,783</u>	<u>46</u>
1XXX	Total assets		<u>\$</u>	<u>\$</u>	<u>100</u>

(Continued)

ACTION ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Liabilities and Equity	Notes	December 31, 2025		December 31, 2024	
			AMOUNT	%	AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(12)	\$ 360,000		\$ 340,000	7
2130	Current contract liabilities	6(20)	190,401	4	357,681	8
2170	Accounts payable		77,718	2	153,175	3
2200	Other payables	7	133,809	3	175,546	4
2230	Current income tax liabilities		3,773	-	30,286	1
2250	Current provisions	6(14)	34,621	1	36,968	1
2280	Current lease liabilities		14,485	-	17,470	-
2320	Long-term liabilities, current portion	6(13)	814,522	17	122,868	3
2399	Other current liabilities, others	7	27,457	1	79,582	2
21XX	Current Liabilities		<u>1,656,786</u>	<u>35</u>	<u>1,313,576</u>	<u>29</u>
	Non-current liabilities					
2540	Non-current portion of non-current borrowings	6(13)	-	-	200,000	4
2550	Non-current provisions	6(14)	7,733	-	8,242	-
2570	Deferred tax liabilities	6(26)	63,464	1	32,118	1
2580	Non-current lease liabilities		14,311	-	26,833	1
2600	Other non-current liabilities		19,043	1	24,616	-
25XX	Non-current liabilities		<u>104,551</u>	<u>2</u>	<u>291,809</u>	<u>6</u>
2XXX	Total Liabilities		<u>1,761,337</u>	<u>37</u>	<u>1,605,385</u>	<u>35</u>
	Equity					
	Equity attributable to owners of parent					
	Share capital	6(16)				
3110	Share capital - common stock		2,771,575	59	2,771,575	60
	Capital surplus	6(17)				
3200	Capital surplus		1,602	-	1,602	-
	Retained earnings	6(18)				
3310	Legal reserve		84,743	2	66,221	1
3320	Special reserve		430,389	9	440,379	9
3350	Unappropriated earnings		146,384	3	189,060	4
	Other equity interest	6(19)				
3400	Other equity interest		()	(10)	()	(9)
31XX	Equity attributable to owners of the parent		<u>2,987,092</u>	<u>63</u>	<u>3,038,448</u>	<u>65</u>
3XXX	Total equity		<u>2,987,092</u>	<u>63</u>	<u>3,038,448</u>	<u>65</u>
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	Total liabilities and equity		<u>\$</u>		<u>\$</u>	<u>100</u>

The accompanying notes are an integral part of these consolidated financial statements.

ACTION ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Items	Notes	Year ended December 31						
			2025		2024				
			AMOUNT	%	AMOUNT	%			
4000	Sales revenue	6(20)	\$		\$	2,495,322	100		
5000	Operating costs	6(5)(25)	(	1,292,492	(	75	(
5900	Net operating margin					585,163	24		
	Operating expenses	6(25)							
6100	Selling expenses		(	70,126	(	4	(
6200	General & administrative expenses		(	186,912	(	11	(
6300	Research and development expenses		(	33,560	(	2	(
6450	Impairment gain and reversal of impairment loss			1,516		-	2,228	-	
6000	Total operating expenses		(		(	17	(
6900	Operating profit			130,397		8	242,480	10	
	Non-operating income and expenses								
7100	Interest income	6(21)		10,716		1	15,370	1	
7010	Other income	6(22) and 7		4,165		-	8,208	-	
7020	Other gains and losses	6(23)	(		(	2	(
7050	Finance costs	6(24)	(	11,593	(	1	(
7060	Share of profit of associates and joint ventures accounted for using equity method	6(6)		10,570		1	21,772	1	
7000	Total non-operating revenue and expenses		(	10,287	(	1	15,873	-
7900	Profit before income tax			120,110		7	258,353	10	
7950	Income tax expense	6(26)	(	43,880	(	3	(
8000	Profit for the year from continuing operations			76,230		4	183,726	7	
8200	Profit for the year		\$				\$	183,726	7
	Other comprehensive income								
	Components of other comprehensive income that will not be reclassified to profit or loss								
8311	Gains (losses) on remeasurements of defined benefit plans	6(15)	\$				\$	1,860	-
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)	(	30,672	(	2	(
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(26)	(	122		-	(
8310	Components of other comprehensive income that will not be reclassified to profit or loss		(	30,183	(	2	(
	Components of other comprehensive income that will be reclassified to profit or loss								
8361	Exchange differences on translation	6(19)		16,362		1	104,136	4	
8367	Unrealised gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	6(3)		370		-	(
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(19)(26)	(	3,272		-	(
8360	Components of other comprehensive income that will be reclassified to profit or loss			13,460		1	82,939	3	
8300	Other comprehensive income		\$				\$	70,742	3
8500	Total comprehensive income		\$				\$	254,468	10
	Profit, attributable to:								
8610	Owners of parent		\$				\$	183,726	7
	Comprehensive income attributable to:								
8710	Owners of parent		\$				\$	254,468	10
	Earnings per share (in dollars)	6(27)							
9750	Basic earnings per share		\$				\$	0.66	
9850	Diluted earnings per share		\$				\$	0.66	

The accompanying notes are an integral part of these consolidated financial statements.

ACTION ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Equity attributable to owners of the parent						Other equity interest	Total equity	
		Share capital - common stock	Capital surplus, additional paid-in capital	Retained Earnings			Exchange differences on translation of foreign financial statements			Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income
				Legal reserve	Special reserve	Unappropriated earnings				
<u>2024</u>										
Balance at January 1		\$ 2,771,575	\$ 1,602	\$ 55,352	\$ 366,594	\$ 116,215	(\$ 511,741)	\$ 12,099	\$ 2,811,696	
Profit for the year		-	-	-	-	183,726	-	-	183,726	
Other comprehensive income	6(19)	-	-	-	-	1,489	83,309	(14,056)	70,742	
Total comprehensive income		-	-	-	-	185,215	83,309	(14,056)	254,468	
Appropriation and distribution of 2023 retained earnings	6(18)									
Legal reserve appropriaed		-	-	10,869	-	(10,869)	-	-	-	
Special reserve appropriaed		-	-	-	73,785	(73,785)	-	-	-	
Cash dividends of ordinary share		-	-	-	-	-	-	-	-	
Balance at December 31		\$ 2,771,575	\$ 1,602	\$ 66,221	\$ 440,379	\$ 189,060	(\$ 428,432)	(\$ 1,957)	\$ 3,038,448	
<u>2025</u>										
Balance at January 1		\$ 2,771,575	\$ 1,602	\$ 66,221	\$ 440,379	\$ 189,060	(\$ 428,432)	(\$ 1,957)	\$ 3,038,448	
Profit for the year		-	-	-	-	76,230	-	-	76,230	
Other comprehensive income	6(19)	-	-	-	-	-	-	-	-	
Total comprehensive income		-	-	-	-	76,719	13,090	(30,302)	59,507	
Appropriation and distribution of 2024 retained earnings	6(18)									
Legal reserve appropriaed		-	-	18,522	-	(18,522)	-	-	-	
Special reserve reversal		-	-	-	(9,990)	9,990	-	-	-	
Cash dividends of ordinary share		-	-	-	-	-	-	-	-	
Balance at December 31		\$ 2,771,575	\$ 1,602	\$ 84,743	\$ 430,389	\$ 146,384	(\$ 415,342)	(\$ 32,259)	\$ 2,987,092	

The accompanying notes are an integral part of these consolidated financial statements.

ACTION ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31	
		2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax			\$ 258,353
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(25)	55,852	64,946
Amortisation	6(25)	8,665	9,827
Expected credit gain	12(2)	(1,516)	(2,228)
Gain on financial assets at fair value through profit or loss	6(23)	(1,766)	(1,813)
Realized loss on disposal of debt instruments at fair value through other comprehensive income	6(23)	998	-
Interest expense	6(24)	11,593	16,391
Interest income	6(21)	(10,716)	()
Dividend income	6(22)	(570)	()
Share of (profit) loss of associates accounted for using the equity method	6(6)	(10,570)	(21,772)
Loss on disposal of property, plant and equipment	6(23)	18	780
Lease modifications	6(23)	-	()
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets mandatorily measured at fair value through profit or loss		(39,832)	610
Accounts receivable		50,889	41,668
Other receivables		(16,339)	370
Other receivables - related parties		6,070	()
Inventories		123,873	621,347
Prepayments		(27,340)	19,742
Other current financial assets		(14,689)	146,252
Other current assets, others		(73)	5,483
Changes in operating liabilities			
Contract liabilities		(168,077)	()
Accounts payable		(76,700)	()
Other payables		(44,561)	()
Provisions		(3,958)	2,013
Net defined benefit liability		(216)	()
Other current liabilities		(53,331)	61,062
Cash (outflow) inflow generated from operations		(92,186)	944,278
Interest received		10,716	15,370
Interest paid		(11,593)	()
Income taxes paid		(81,837)	()
Net cash flows (used in) from operating activities		(174,900)	874,333

(Continued)

ACTION ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31	
		2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through other comprehensive income		\$ -	(\$ 37,593)
Proceeds from disposal of financial assets at fair value through other comprehensive income		8,659	-
(Increase) Decrease in financial assets at amortised cost		(140,784)	44,468
Acquisition of property, plant and equipment	6(7)	(38,092)	(5,271)
Proceeds from disposal of property, plant and equipment		-	586
Acquisition of investment property	6(10)	(211,632)	(139,833)
Acquisition of intangible assets	6(11)	(828)	(694)
Decrease in refundable deposits		1,628	761
Increase in other non-current assets		(1,107)	(3,418)
Dividends received	6(6)(22)	30,868	34,101
Net cash flows used in investing activities		<u>(351,288)</u>	(106,893)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(28)	750,000	1,250,000
Decrease in short-term borrowings	6(28)	(730,000)	(1,100,000)
Increase in long-term borrowings	6(28)	491,654	287,239
Decrease in long-term borrowings	6(28)	-	(996,321)
Payments of lease liabilities	6(28)	(18,501)	(26,030)
Decrease in deposits received	6(28)	(5,261)	(3,093)
Cash dividends paid	6(18)	(110,863)	(27,716)
Net cash flows from (used in) financing activities		<u>377,029</u>	(615,921)
Effect of exchange rate changes		<u>8,229</u>	46,061
Net (decrease) increase in cash and cash equivalents		(140,930)	197,580
Cash and cash equivalents at beginning of year		<u>950,186</u>	752,606
Cash and cash equivalents at end of year		<u>\$ 809,256</u>	<u>\$ 950,186</u>

ACTION ELECTRONICS CO., LTD.
PARENT COMPANY ONLY FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS’
REPORT
DECEMBER 31, 2025 and 2024

For the convenience of readers and for information purpose only, the auditors’ report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors’ report and financial statements shall prevail.

ACTION ELECTRONICS CO., LTD.
DECEMBER 31, 2025 and 2024 PARENT COMPANY ONLY FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS' REPORT
TABLE OF CONTENTS

<u>Contents</u>	<u>Page/Number/Index</u>
1. Cover Page	1
2. Table of Contents	2 ~ 4
3. Independent Auditors' Report	5 ~ 10
4. Parent Company Only Balance Sheets	11 ~ 12
5. Parent Company Only Statements of Comprehensive Income	13
6. Parent Company Only Statements of Changes in Equity	14
7. Parent Company Only Statements of Cash Flows	15 ~ 16
8. Notes to the Parent Company Only Financial Statements	17 ~ 70
(1) History and Organisation	17
(2) The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation	17
(3) Application of New Standards, Amendments and Interpretations	17 ~ 19
(4) Summary of Material Accounting Policies	19 ~ 29
(5) Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty	29 ~ 30
(6) Details of Significant Accounts	30 ~ 58

(7) Related Party Transactions	58 ~ 61
(8) Pledged Assets	61
(9) Significant Contingent Liabilities and Unrecognised Contract Commitments	61 ~ 62
(10) Significant Disaster Loss	62
(11) Significant Events after the Balance Sheet Date	62
(12) Others	62 ~ 69
(13) Supplementary Disclosures	69
(14) Segment Information	70
9. Statements of Major Accounting Items	
Statement of Cash and Cash Equivalents	Statement 1
Statement of Accounts Receivable	Statement 2
Statement of Changes in Investments Accounted for Using the Equity Method	Statement 3
Statement of Property, Plant and Equipment	Disclosure 6(7)
Statement of Investment Property	Disclosure 6(10)
Statement of Intangible Assets	Disclosure 6(11)
Statement of Short-Term Borrowings	Statement 4
Statement of Long-Term Borrowings (included current portion of Long- Term Borrowings)	Statement 5
Statement of Operating Revenue	Statement 6
Statement of Operating Costs	Statement 7

Contents

Page/Number/Index

Statement of Selling Expenses	Statement 8
Statement of Administrative Expenses	Statement 9
Summary Statement of Current Period Employee Benefits, Depreciation, Depletion and Amortization Expenses By Function	Statement 10

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Action Electronics Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Action Electronics Co., Ltd. (the “Company”) as at December 31, 2025 and 2024, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the year then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2025 and 2024, and its parent company only financial performance and its parent company only cash flows for the year then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2025 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2025 parent company only financial statements are stated as follows:

Intangible assets - impairment of trademark right

Description

Refer to Note 4(18) for accounting policy on impairment of non-financial assets, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to intangible assets - impairment of trademark right and Note 6(11) for details of intangible assets - trademark right.

The Company's intangible assets are mainly the Kolin trademark. For the Company, the impairment was tested based on the recoverable amount which was measured using the present value of expected future cash flows discounted at an appropriate discount rate. Since the expected future cash flow involves a financial forecast for the next 5 years, and the assumptions applied in the preparation of the forecast are dependent upon subjective judgements and contain a high degree of uncertainties, which have a significant impact on the measurement of recoverable amount, and further affect the estimates of impairment of trademark, we consider the impairment assessment of intangible assets a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

- A. Obtained an understanding and assessed the process in which the management estimated future cash flows of such cash-generating unit, and reconciled the future cash flows used with the future annual budget provided by operating segments.
- B. Obtained an understanding on the procedure and basis for determining assumptions used by the management to forecast future cash flows.
- C. Assessed the key assumptions used by the external appraiser engaged by management in the estimation of future cash flows, including assessing the reasonableness of expected operating revenue, gross profit and changes in expenses by comparing to historical results.
- D. Reviewed the parameters of discount rates, including the reasonableness of risk-free rate of cost of equity, market risk premium, securities risk premium and size risk premium.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the generally accepted auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the generally accepted auditing standards in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- A. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud

may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- E. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Wu, Jen-Chieh

Lin, Ya-Hui

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 12, 2026

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

ACTION ELECTRONICS CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Assets	Notes	December 31, 2025		December 31, 2024	
		AMOUNT	%	AMOUNT	%
Current assets					
1100	Cash and cash equivalents	6(1)	\$ 414,492	\$ 135,636	3
1120	Current financial assets at fair value through other comprehensive income	6(2)	36,712	71,579	2
1136	Current financial assets at amortised cost	6(1)	131,430	-	-
1180	Accounts receivable, net	6(3) and 7	20,758	46,372	1
1200	Other receivables	6(4) and 7	18,072	218,022	6
130X	Current inventories	6(5) and 8	97,101	149,072	4
1470	Other current assets		27,963	29,690	1
11XX	Total current assets		<u>746,528</u>	<u>650,371</u>	<u>17</u>
Non-current assets					
1517	Non-current financial assets at fair value through other comprehensive income	6(2)	22,972	28,000	1
1550	Investments accounted for using equity method	6(6)	1,936,182	2,102,961	56
1600	Property, plant and equipment	6(7) and 8	189,055	169,782	5
1755	Right-of-use assets	6(8)	4,556	9,242	-
1760	Investment property, net	6(10) and 8	506,803	521,802	14
1780	Intangible assets	6(11)	198,083	203,603	6
1840	Deferred tax assets	6(26)	81,681	53,093	1
1900	Other non-current assets		4,178	6,578	-
15XX	Total non-current assets		<u>2,943,510</u>	<u>3,095,061</u>	<u>83</u>
1XXX	Total assets		<u><u> </u></u>	<u><u>\$ </u></u>	<u><u>100</u></u>

(Continued)

ACTION ELECTRONICS CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Liabilities and Equity	Notes	December 31, 2025		December 31, 2024	
		AMOUNT	%	AMOUNT	%
Current liabilities					
2100	Short-term borrowings	6(12)	\$ 360,000	\$ 340,000	9
2130	Current contract liabilities	6(20)	12,280	15,989	1
2180	Accounts payable	7	6,362	16,043	-
2200	Other payables	7	25,152	38,233	1
2230	Current tax liabilities		2,527	-	-
2250	Current provisions	6(14)	1,239	293	-
2280	Current lease liabilities		2,624	4,644	-
2320	Long-term liabilities, current portion	6(13)	200,000	-	-
2399	Other current liabilities, others		2,958	8,902	-
21XX	Total current liabilities		<u>613,142</u>	<u>424,104</u>	<u>11</u>
Non-current liabilities					
2540	Non-current portion of non-current borrowings	6(13)	-	200,000	5
2550	Non-current provisions	6(14)	16	156	-
2570	Deferred tax liabilities	6(26)	50,950	19,840	1
2580	Non-current lease liabilities	7	2,342	4,966	-
2600	Other non-current liabilities	6(6)(15)	36,496	57,918	2
25XX	Total non-current liabilities		<u>89,804</u>	<u>282,880</u>	<u>8</u>
2XXX	Total liabilities		<u>702,946</u>	<u>706,984</u>	<u>19</u>
Equity					
Share capital					
3110	Common stock	6(16)	2,771,575	2,771,575	74
Capital surplus					
3200	Capital surplus	6(17)	1,602	1,602	-
Retained earnings					
3310	Legal reserve	6(18)	84,743	66,221	2
3320	Special reserve		430,389	440,379	12
3350	Unappropriated retained earnings		146,384	189,060	5
Other equity interest					
3400	Other equity interest	6(19)		(12)	(12)
3XXX	Total equity		<u>2,987,092</u>	<u>3,038,448</u>	<u>81</u>
Significant contingent liabilities and unrecognised contract commitments					
Significant events after the balance sheet date					
3X2X	Total liabilities and equity			<u>\$</u>	<u>100</u>

The accompanying notes are an integral part of these parent company only financial statements.

ACTION ELECTRONICS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Items	Notes	Year ended December 31						
		2025		2024				
		AMOUNT	%	AMOUNT	%			
4000	Operating revenue	6(20) and 7	\$		\$	518,817	100	
5000	Operating costs	6(5)(25) and 7	(	82)	(
5900	Gross profit from operations			36,189	18	95,246	18	
	Operating expenses	6(25) and 7						
6100	Selling expenses		(	13)	(
6200	Administrative expenses		(	42)	(
6000	Total operating expenses		(	55)	(
6900	Net operating loss		(	37)	(
	Non-operating income and expenses							
7100	Interest income	6(21) and 7		2,702	1	6,862	1	
7010	Other income	6(22) and 7		11,185	6	39,914	8	
7020	Other gains and losses	6(23)	(	4)	(	499,389	96
7050	Finance costs	6(24) and 7	(	5)	(
7070	Share of profit (loss) of associates and joint ventures accounted for using equity method	6(6)						
	Total non-operating income and expenses			156,777	77			
7000				153,479	75	262,154	50	
7900	Profit before income tax			78,495	38	193,971	37	
7950	Income tax expense (benefit)	6(26)	(	1)	(
8200	Profit for the year		\$	76,230		\$	183,726	35
	Other comprehensive income							
	Components of other comprehensive income that will not be reclassified to profit or loss							
8311	Gains (losses) on remeasurements of defined benefit plans	6(15)	\$	220	\$	639	-	
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(2)(19)	(	15)	(
8330	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss			313	-	978	-	
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(26)	(	44)	-	128)	-
8310	Components of other comprehensive income that will not be reclassified to profit or loss		(	15)	(
	Components of other comprehensive income that will be reclassified to profit or loss							
8361	Exchange differences on translation	6(19)		16,362	8	104,136	20	
8367	Unrealised gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	6(2)(19)		370	-	(370)	-	
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(19)(26)	(	1)	(
8360	Components of other comprehensive income that will be reclassified to profit or loss			13,460	7	82,939	16	
8300	Other comprehensive income		\$		(\$	70,742	14
8500	Total comprehensive income		\$	59,507		\$	254,468	49
	Earnings per share (in dollars)	6(27)						
9750	Basic earnings per share		\$		\$		0.66	
9850	Diluted earnings per share		\$		\$		0.66	

The accompanying notes are an integral part of these parent company only financial statements.

ACTION ELECTRONICS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Retained Earnings				Other equity interest		Total equity	
		Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements		Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income
<u>2024</u>									
Balance at January 1.		\$ 2,771,575	\$ 1,602	\$ 55,352	\$ 366,594	\$ 116,215	(\$ 511,741)	\$ 12,099	\$ 2,811,696
Profit for the year		-	-	-	-	183,726	-	-	183,726
Other comprehensive income		-	-	-	-	1,489	83,309	(14,056)	70,742
Total comprehensive income		-	-	-	-	185,215	83,309	(14,056)	254,468
Appropriation and distribution of 2023 retained earnings	6(18)								
Legal reserve appropriaed		-	-	10,869	-	(10,869)	-	-	-
Special reserve appropriaed		-	-	-	73,785	(73,785)	-	-	-
Cash dividends of ordinary share		-	-	-	-	-	-	-	-
Balance at December 31.		\$ 2,771,575	\$ 1,602	\$ 66,221	\$ 440,379	\$ 189,060	(\$ 428,432)	(\$ 1,957)	\$ 3,038,448
<u>2025</u>									
Balance at January 1.		\$ 2,771,575	\$ 1,602	\$ 66,221	\$ 440,379	\$ 189,060	(\$ 428,432)	(\$ 1,957)	\$ 3,038,448
Profit for the year		-	-	-	-	76,230	-	-	76,230
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income		-	-	-	-	76,719	13,090	(30,302)	59,507
Appropriation and distribution of 2024 retained earnings	6(18)								
Legal reserve appropriaed		-	-	18,522	-	(18,522)	-	-	-
Special reserve reversal		-	-	-	(9,990)	9,990	-	-	-
Cash dividends of ordinary share		-	-	-	-	-	-	-	-
Balance at December 31.		\$ 2,771,575	\$ 1,602	\$ 84,743	\$ 430,389	\$ 146,384	(\$ 415,342)	(\$ 32,259)	\$ 2,987,092

The accompanying notes are an integral part of these parent company only financial statements.

ACTION ELECTRONICS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31	
		2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax			\$ 193,971
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(25)	20,897	16,019
Amortisation	6(25)	7,058	9,019
Interest income	6(21)	(2,702)	(6,862)
Dividend income	6(22)	(570)	(304)
Realized loss on disposal of debt instruments at fair value through other comprehensive income	6(23)	998	-
Interest expense	6(24)	9,597	12,098
Share of profit of subsidiaries and associates accounted for using the equity method	6(6)	(156,777)	271,913
Loss on disposal of property, plant and equipment	6(23)	-	991
Gain from disposal of investment property	6(23)	-	(506,558)
Gain from lease modification	6(23)	-	(354)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		25,614	50,233
Other receivables		(753)	(1,261)
Inventories		51,971	110,318
Other current assets		1,725	(16,862)
Changes in operating liabilities			
Contract liabilities		(3,709)	531
Accounts payable		(9,681)	(49,534)
Other payables		(13,081)	(11,666)
Provisions		806	(224)
Net defined benefit liability		4	(4)
Other current liabilities		(5,944)	(6,703)
Cash inflow generated from operations		3,948	64,761
Interest received		2,702	6,862
Interest paid		(9,597)	(12,098)
Income taxes paid		(265)	(16,691)
Net cash flows (used in) from operating activities		(3,212)	42,834

(Continued)

ACTION ELECTRONICS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31	
		2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of financial assets at fair value through other comprehensive income			\$ -
Acquisition of financial assets measured at fair value through other comprehensive income		-	(37,593)
Increase in financial assets at amortised cost	6(1)	(131,430)	-
Acquisition of property, plant and equipment	6(7)(28)	(20,485)	(1,093)
Disposal of property, plant and equipment	6(28)	-	905
Acquisition of intangible assets	6(11)	(828)	(290)
Acquisition of investment property	6(10)	-	(26,789)
Acquisition of investments accounted for using the equity method	6(6)	-	(200,000)
Proceeds from capital reduction of investments accounted for using equity method	6(6)	68,272	161,095
Increase in other receivables - related parties	7	200,374	(100,196)
Increase in other non-current assets		-	(865)
(Increase) Decrease in refundable deposits		1,690	(296)
Dividends received	6(6)	250,535	122,288
Net cash flows from (used in) investing activities		<u>376,787</u>	(82,834)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in long-term borrowings	6(29)	-	(60,000)
Increase in short-term borrowings	6(29)	750,000	1,250,000
Decrease in short-term borrowings	6(29)	(730,000)	(1,100,000)
Increase in guarantee deposits received	6(29)	788	(46)
Payments of lease liabilities	6(29)	(4,644)	(11,213)
Cash dividends paid	6(18)	(110,863)	(27,716)
Net cash flows (used in) from financing activities		(94,719)	51,025
Net increase in cash and cash equivalents		278,856	11,025
Cash and cash equivalents at beginning of year		135,636	124,611
Cash and cash equivalents at end of year		<u>\$ 414,492</u>	<u>\$ 135,636</u>

Attachment 2

Candidate Category	Candidate's Name	Education	Experience	Current position	Current shareholding (Shares)	Name of the represented government or corporation
Director	Peng Ting-Yu (Female)	Master of Business Administration, University of Southern California, U.S.A.	<ol style="list-style-type: none"> 1. President of Action Electronics Co.,Ltd 2. Consultant of TEEMA 3. Director, Next Generation Charity Association 	<ol style="list-style-type: none"> 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. Director of Almond Garden Corp. 7. Director of Action Asia Limited 8. Representative for a corporate director of Clientron Corp. 9. Representative for a corporate director of Green Rock Energy Co., Ltd. 	4,715,983	Not applicable.
Director	Peng Chiun-Ping (Male)	Tamkang University	<ol style="list-style-type: none"> 1. Bank of Communications 2. National Taxation Bureau of Taipei 3. Chairman of Action Electronic Co., Ltd 	<ol style="list-style-type: none"> 1. Chairman of Far Year Construction CO.,LTD 2. Chairman of Shanghai Action Technology CO.,LTD 3. Chairman of Almond Garden Corp. 4. Director of Action Asia (Shenzhen)Co., Ltd 5. Director of Action Industries (M) SDN.BHD 	20,683,303	Not applicable.
Director	Chao Teng-Pang (Male)	Tamkang University	<ol style="list-style-type: none"> 1. Chairman of Action Electronic Co., Ltd 2. Chairman of America Action Inc. 3. Santron Electronic Co., Ltd 4. Chairman of Far Year Technology (Shenzhen) Co., Ltd 	<ol style="list-style-type: none"> 1. Chairman of Realise Tech-Service Co., Ltd 2. Director of Action Asia (Shenzhen)Co., Ltd. 3. Director of Action Industries (M) SDN.BH. 4. Director of Almond Garden Corp. 5. Director of Action Asia Limited 6. Supervisor of Dede Technology (Shenzhen) Co., Ltd 7. Supervisor of Shanghai Action Technology CO.,LTD 	1,442,820	Not applicable.
Director	Wen Yu-Mei (Female)	<ol style="list-style-type: none"> 1. MBA NCCU 2. National Taipei College of business 	<ol style="list-style-type: none"> 1. Senior Manager of First Securities Inc. 2. Finance Manager of Taoyuan Securities Inc. 	<ol style="list-style-type: none"> 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 	2,301,000	Not applicable.

Director	ING-KER INTERNATIONAL CO., LTD.	None	None	None	2,000,000	Not applicable.
Director	Tsai Jin-wan (Male)	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	1. General manager Of Far Year Construction CO.,LTD 2. Chairman of Shin Chuan Yuan Investment Co. ,Ltd 3. Director of Dede Technology (Shenzhen) CO., LTD. 4. Director, Action Electronics Education and Culture Foundation 5. Consultant of Taiwan Science Park Science Industry Association	1,000,000	Shin Chuan Yuan Investment Co. ,Ltd
Director	Peng Po-Chang (Male)	1. Pepperdine University BMA California, USA. 2. Shanghai Jiao Tong University EMBA Shanghai, China.	1. President of Far Year Technology (Shenzhen) Co., Ltd. 2. President of Far Year Construction Co., Ltd. 3. President of Shanghai Action Technology CO.,LTD	1. Director of Shanghai Action Technology CO.,LTD 2. Representative for a corporate director of Far Year Construction Co., Ltd., Special Assistant to the Chairperson. 3. Chairperson of Dabo Investment Co., Ltd.	1,028,000	Not applicable.
Independent Director	Tang Peng-Chin (Male)	1. National Chung Hsing University,Accounting Dept. 2. CPA	1. Accountant of Jian Yang United Accounting Firm. 2. Audit Manager and Spokesperson of Tongxie Electronic.	1. Chairperson of Global Securities Investment Advisory Co., Ltd. 2. Chairperson of Global Securities Investment Advisory Co., Ltd. 3. Director of 湯樂園有限公司, a company operating Dante Coffee.	0	Not applicable.
Independent Director	Yen Tzong-Ming (Male)	1. Department of Commercial Mathematics, Soochow University, Master of Economics. 2. 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.	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.	0	Not applicable.
Independent Director	Chang Zhi-Yuan (Male)	1. B.S. in Industrial Engineering, Feng Chia University. 2. M.B.A., Saginaw State University, Michigan,	1. Human Resources Manager, Electronic Research Institute, Industrial Technology Research Institute 2. Spokesperson, Associate, Huabang Electronics Co.	1. Director, Taiwan Science Park Science Industry Association 2. Director, Industrial Technology Research Institute (ITRI) Alumni Association 3. Independent Director, Bright Led Electronics	0	Not applicable.

		U.S.A.	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Corp 4. Independent director of Bright Led Electronics Corp. 5. Independent director of Green Rock Energy Co., Ltd. 		
Independent Director	Hung Chia-Chun (Female)	<ul style="list-style-type: none"> 1. M.S. in Accounting, National Chengchi University. 2. passed the CPA examination and holds a certificate 	<ul style="list-style-type: none"> 1. Chief Finance Officer and Acting Spokesperson of Bafang Yunji International Co., Ltd. 2. Chief Finance Officer, Acting Spokesperson, and Corporate Governance Officer of Gagre Foods Co., Ltd. 3. President and Chief Financial and Administrative Officer of Chia Jou Foods Co., Ltd. 4. Senior Manager of the Audit Division at PwC Taiwan. 	<ul style="list-style-type: none"> 1. Chief Finance Advisor of Bafang Yunji International Co., Ltd. 	0	Not applicable.

ACTION ELECTRONICS CO., LTD

Rules of Procedure for Shareholders Meetings

Approved by the shareholders meeting June 15th 2020

- Article 1 The Company's shareholders' meetings shall be executed according to this "Rules of Procedure for Shareholders Meetings", except as otherwise provided by laws, regulations, or the articles of incorporation,
- Article 2 The shareholders referred to in these rules refer to the shareholders themselves and the proxy entrusted by the shareholders to attend the shareholders' meeting.
- If the proxy authorized by the shareholders to attend is a legal person, the legal person may only designate one person to attend the shareholders meeting.
- For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.
- A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting. The proxy form shall be delivered to the Company five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.
- After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company two days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.
- Article 3 Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.
- Where re-election of all directors is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.
- Provided a shareholder proposal for urging the corporation to promote public interests or fulfill its social responsibilities may still be included in the agenda by the board of directors. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.
- Article 4 Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.
- If the proxy authorized by the shareholders to attend is a legal person, the legal person may only designate one person to attend the shareholders meeting.

When a legal person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives may speak on the same proposal.

Article 5 The venue for a shareholders meeting shall be the premises or factory of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

Article 6 If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the chairperson shall appoint one of the directors to act as chair. Where the chairperson does not make such a designation, the directors shall select one person to serve as chair among themselves.

Article 7 The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. If the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 8 If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.

If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions raised by the shareholders. When the proposal has been discussed sufficiently enough to put it to a

vote, the chair may announce the discussion closed, call for a vote.

Article 9 (Deleted)

Article 10 If a shareholder proposes to count the number of people, the chairman may not accept it. When vote on the proposal, if a quorum has been reached, the proposal is still passed.

Article 11 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her attendance card number, and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. Shareholders may put limitation of power in the power of attorney or other measures to the proxy, which the Company will not aware of. As a result, the speech or vote made by the proxy shall prevail.

Article 12 Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

Article 13 After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 14 (Deleted)

Article 15 If it is not a motion, it will not be discussed or voted on. When discussing a proposal, the chairman may announce the cessation of the discussion at an appropriate time and put it to vote. At the time of voting, if there is no objection after consultation by the chairman, the effect is the same as the voting.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 16 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under the Company Act.

Article 17 The voting of the proposal shall be passed with the approval of a majority of the voting rights of the shareholders present, unless otherwise stipulated in the Company Act and the Articles of Association.

Article 18 Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. The results of the voting shall be reported on the spot and recorded.

Article 19 The Company may appoint its attorneys, certified public accountants, or related persons to attend a shareholders meeting. Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

Article 20 The company shall record the entire process of the shareholders' meeting by audio

and/or video and keep it for at least one year.

- Article 21 The chair may direct the picketers or security personnel to help maintain order at the meeting place. When picketers or security personnel help maintain order at the meeting place, they shall wear an identification card or arm band with the word "Security"
- Article 22 The resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting. A copy of the meeting minutes shall be distributed to each shareholder within 20 days after the conclusion of the meeting. The distribution of meeting minutes mentioned above can be done by means of a public announcement. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted. , and a summary of the deliberations and their voting results. The minutes shall be retained for the duration of the existence of the Company. The sign-in book or sign-in card of the attending shareholders and the proxy's power of attorney shall be kept for one year.
- Article 23 When a meeting is in progress, the chair may announce a break based on time considerations.
- Article 24 Matters not stipulated in this rule shall be handled in accordance with the Company Act and the company's articles of association.
- Article 25 These rules will be implemented after approval by the shareholders' meeting, and the same applies when they are amended.

Appendix 2

ACTION ELECTRONICS CO., LTD

Articles of Incorporation

Chapter 1 General Provisions

Article 1 : The Company is incorporated as company limited under the Company Act of the Republic of China. The company name is Action Electronics CO., LTD.

Article 2 : The Company established its head office in Taoyuan City and may establish domestic and foreign branches, if necessary, by resolution of the Board of Directors.

Article 3 : The company's operations are as follows:

(1) Manufacturing, processing, trading, repair services, technology transfer and consulting services of the following products.

1. C399990 Other textile and product manufacturing
2. C802100 Cosmetics manufacturing
3. CB01020 Business Machine Manufacturing
4. CCO1030 Electrical and audio-visual electronic products manufacturing
5. CC01060 Wired Communication Machinery Equipment Manufacturing
6. CC01070 Wireless Communication Machinery Equipment Manufacturing
7. CC01080 Electronic Components Manufacturing
8. CC01101 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing
9. CC01110 Computer and Peripheral Equipment Manufacturing
10. CE01030 Optical Instrument Manufacturing
11. CH01030 Stationery Manufacturing
12. E601010 Electrical Appliances Assembling
13. E604010 Machinery Installation
14. E701010 Telecommunications Engineering
15. EZ05010 Instrument and Meter Installation Engineering
16. EZ14010 Sports Field Equipment Engineering
17. F104110 Wholesale of cloth, clothing, shoes, hats, umbrellas and apparel products
18. F105050 Wholesale of furniture, bedding, kitchen appliances, and furnishings
19. F107030 Wholesale of cleaning products
20. F108031 Wholesale of medical equipment
21. F108040 Wholesale of cosmetics
22. F109070 Wholesale of culture, education, musical instruments, and educational products
23. F113010 Wholesale of machinery
24. F113020 Wholesale of electrical Appliance
25. F113030 Wholesale of precision instruments
26. F113050 Wholesale of computer and business machinery and equipment
27. F113070 Wholesale of telecommunications Equipment
28. F116010 Wholesale of photographic equipment
29. F119010 Wholesale of electronic materials
30. F207030 Retail cleaning product
31. F208031 Retail of medical equipment
32. F209060 Retail of cultural, educational, musical instruments, and educational products
33. F213010 Retail of electrical appliance
34. F213030 Retail of computer and business machinery and equipment

- 35. F213040 Retail of Precision Instruments
- 36. F213060 Retail of telecommunications equipment
- 37. F213080 Retail of mechanical appliances
- 38. F216010 Retail of photographic equipment
- 39. F219010 Retail of electronic materials
- 40. F401010 International Trade
- 41. I103060 Management Consulting
- 42. H703090 Real Estate Business
- 43. H703100 Real Estate Leasing
- 44. IG03010 Energy Technical Services
- 45. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 4 : The company may consider providing external guarantees based on the business required.

Article 5 : The Company's reinvestment amount may not be restricted by Article 13 of Company Act.

Article 6 : The method of Company's announcement shall be in accordance with Article 28 of Company Act.

Chapter 2 Capital and Stock

Article 7 : The total capital of the company is set at four billion and fifty million New Taiwan dollars, divided into four hundred and fifty million shares at ten dollars per share. The Company authorizes the board of directors to issue the share in installments. Eight million shares are reserved for the issuance of employee stock options.

Article 8 : The shares issued by the Company are registered share certificates and may be issued without printing a share certificate and shall be registered with the centralized securities depository.

Article 9 : The company's stock affairs are handled in accordance with "Regulations Governing the Administration of Shareholder Services of Public Companies" and relevant government laws and regulations.

Article 10 : The transfer of shares shall be closed within 60 days before the regular shareholders' meeting, or 30 days before the extraordinary shareholders' meeting or 5 days before the base date of the company's decision to distribute dividends and bonuses or other benefits.

Chapter 3 Shareholders' Meeting

Article 11 : Unless otherwise provided in the Company Act, a shareholders' meeting shall be convened by the Board of Directors.

There are two types of shareholders' meetings as follows

(1) Regular shareholders' meeting: The meeting shall be convened at least once a year.

(2) Interim meeting of shareholders: To be convened when necessary.

The preceding ordinary shareholders' meeting shall be held within six months after the end of each fiscal year. The shareholders holding less than 1,000 registered shares after IPO may be notified by public announcement.

Article 12 : Each shareholder of the company has one vote per share, except in the case where the shares do not have the right to vote as stipulated in Article 179 of the Company Act.

Article 13 : When shareholders are unable to attend the shareholders' meeting, they shall issue a power of attorney issued by the company stating the scope of authorization to entrust a proxy to attend the meeting. Measures for shareholders' entrusted attendance should be in accordance with Article 177 of the Company Act" and the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies"

Meetings” issued by the competent authority.

Article 14 : Unless otherwise stipulated by the Company Act and the Securities Exchange Law, the resolutions of the shareholders meeting shall be approved when attended shareholders representing more than half of the total number of issued shares, and more than half of the presented shareholders agree.

Chapter 4 Directors

Article 15 : The Company shall have eleven directors for a term of three years, who shall be re-elected by the shareholders' meeting for a term of three years and who are capable of acting. The number of shares held by all directors in the preceding paragraph shall not be less than the percentage prescribed by the competent securities authorities.

In the first paragraph, the number of independent directors shall not be less than three and not less than one-fifth of the number of directors. The professional qualifications, shareholdings, restrictions on part-time employment, nomination and election of independent directors and other matters to be followed shall be in accordance with the relevant regulations of the competent securities authorities.

In accordance with Article 192-1 of the Company Act, the Company shall adopt a candidate nomination system for the election of directors, and the shareholders shall elect them from the list of candidates. The method and public announcement of directors candidates shall be in accordance with Company Act and Securities and Exchange Act.

Article 16 : The board of directors shall be attended by more than two-thirds of the directors and agreed by more than half of the directors present. One person shall be elected as the chairman of the board, and one person may be elected as the vice chairman in the same manner according to business needs.

The chairman of the board of directors serves as the chairman of the shareholders' meeting and the board of directors' meeting internally, and represents the company externally. When the chairman asks for leave or cannot exercise his functions and powers for some reason and if there is vice chairman appointed, vice chairman should be act as the deputy chairman. If there is no vice chairman, or when the vice chairman also asks for leave or cannot exercise his functions and powers for some reason, the chairman shall appoint one director act as deputy chairman. If the chairman of the board of directors does not appoint any deputy chairman, the deputy chairman shall be elected from among the directors. If the meeting is convened by a convening person other than the board of directors, the chairman shall be the convening person. If there are two or more convening persons, the chairman should be elected from among the convening persons.

Article 17 : The convening of the board of directors' meeting shall notify the directors seven days in advance specifying the reasons for meeting. When there is an emergency, the meeting can be called at any time. The notification for convening on the preceding paragraph may be done in writing, fax or e-mail.

The resolutions of the board of directors should be agreed by more than half of the present directors with the meeting attended by more than half of the directors, unless otherwise provided by laws and regulations.

Article 18 : The board of directors' meeting is convened by the chairman of the board every three months, and the chairman will act as the meeting chairman.

Article 19 : Board meeting may be convened via videoconference. Directors participating in a meeting via videoconference is deemed to be present in person. If a director is unable to attend a board meeting for any reason, he/she may appoint another director to

attend the meeting by proxy, provided that the former proxy is limited to one person.

Article 20 : The board of directors' meeting shall be conducted with more than half of the directors present, unless otherwise stipulated by the Company Act and related laws and regulations, and its resolution shall be made with more than half of the presented directors' agree.

Article 21 : The Board of Directors shall have the following powers and duties:

(1) To formulate business policies and plans.

(2) To prepare capital increase or decrease.

(3) To prepare the appropriation of earnings.

(4) All resolutions shall be adopted by the board of directors, except for the matters the execution of which shall be effected pursuant the resolutions of the shareholders' meeting as required by Company Act or the Articles of Incorporation.

Article 22 : A by-election will be made when directors are vacant, but it may be exempted when the statutory quota of directors is sufficient. The succeeding directors' tenure after by-election shall be until the expiration of the original director's term.

Article 23 : In accordance with Article 14-4 of the Securities and Exchange Act, the Company has established an Audit Committee consisting of all independent directors.

The audit committee shall be composed of the entire number of independent directors. And shall not be less than three persons in number, one of whom shall be committee convenor, and at least one of whom shall have accounting or financial expertise.

The Audit Committee is responsible for the exercise of the duties and responsibilities of the supervisors under the Company Act, the Securities and Exchange Act and other laws. The members of the Audit Committee, their authority, and other matters to be followed by the Audit Committee shall be in accordance with the regulations.

Article 24 : (Deleted)

Article 25 : The remuneration of the chairman, vice-chairmen and directors shall be determined in accordance with the degree of involvement and contribution to the operation of the Company. The remuneration shall consider domestic and foreign industry standards and authorize board of directors' meetings to be determined. The traveling/transportation allowance for board of directors shall be decided by the board meeting.

Chapter 5 Managerial Officials

Article 26 : The Company may appoint a manager (including the general manager), whose appointment, dismissal and remuneration shall be determined by the board of directors' meeting with more than half of the directors present and a resolution approved by more than half of the presented directors. The manager should have a domicile or residence in the country.

Chapter 6 Accounting

Article 27 : At the end of each fiscal year, the Board of Directors shall prepare a report of operations, financial statements, and a proposal for the distribution of earnings or the appropriation of losses and submit them to the Audit Committee for reviews and Audit Committee shall issue a report to the shareholders' meeting for adoption at least 30 days prior to the regular shareholders' meeting.

Article 28 : 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.

Article 29 : If the Company makes a profit in the year (profit is defined as profit before taxation before the distribution of employee compensation and director's compensation), not less than 1% of employee compensation and not more than 3% of director's compensation shall be appropriated; independent directors shall not participate in the distribution. Not less than 1% of the employee compensation amount shall be allocated as a distribution for grassroots employees. However, if the Company still has accumulated losses, the amount of compensation should be reserved in advance, and then the employees and directors' compensation shall be appropriated in accordance with the aforementioned percentages. The aforementioned employee compensation may be in the form of stock or cash and may be paid to subordinate employees who meet the criteria set by the Board of Directors. The aforementioned remuneration of directors may be paid in cash only.

The first two items shall be resolved by the Board of Directors and reported to the shareholders' meeting.

If the Company's annual final accounts include after-tax net income for the period, the Company shall first make up the accumulated deficit and set aside 10% of the legal reserve in accordance with the law, except when the accumulated legal reserve has reached the Company's total paid-in capital. After the special reserve is appropriated or reversed in accordance with the laws and regulations or the competent authorities, the Board of Directors shall prepare a proposal for the appropriation of earnings and submit it to the shareholders' meeting for resolution on the distribution of dividends to shareholders, together with the undistributed earnings at the beginning of the period.

Chapter 7 Supplementary Provisions

Article 30 : The Company may transfer shares to employees at a price less than the average price of the shares actually repurchased by the Company and shall have obtained the consent of at least two-thirds of the voting rights present at the most recent shareholders meeting attended by shareholders representing a majority of total issued shares in accordance with Article 10-1 of Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies.

Article 31 : The Company's organizational regulations and working rules will be determined separately.

Article 32 : Matters not covered in this Articles of Incorporation shall be handled in accordance with the Company Act and other relevant laws and regulations

Article 33: This Article of Incorporation was established on July 10th, 1976.

The first revision was made on December 17th 1976.

The second amendment was made on August 20th 1978.

The third amendment was made on June 15th 1979.

The fourth amendment was made on September 9th 1980.

The fifth amendment was made on September 5th 1981.

The sixth amendment was made on July 31st 1982.

The seventh amendment was made on September 17th, 1982.

The eighth amendment was made on November 11th, 1982.

The ninth amendment was made on April 15th, 1984.

The tenth amendment was made on November 9th, 1985.

The eleventh amendment was made on December 13th, 1985.

The twelfth amendment was made on April 25th, 1987.

The thirteenth amendment was made on July 24th, 1987.

The fourteenth amendment was made on January 31st, 1988.

The fifteenth amendment was made on March 15th, 1988.

The sixteenth amendment was made on May 14th, 1989.

The seventeenth amendment was made on December 15th, 1989.
The eighteenth amendment was made on October 24th, 1990.
The nineteenth amendment was made on May 31st, 1991.
The twentieth amendment was made on May 16th, 1992.
The twenty-first amendment was made on May 4th, 1993.
The twenty-second amendment was made on June 6th, 1996.
The twenty-third amendment was made on June 6th, 1997.
The twenty-fourth amendment was made on May 21st, 1998.
The twenty-fifth amendment was made on June 14th, 1999.
The twenty-sixth amendment was made on June 22th, 2000.
The twenty-seventh amendment was made on June 27th, 2001.
The twenty-eighth amendment was made on June 24th, 2002.
The twenty-ninth amendment was made on June 15th, 2004.
The thirtieth amendment was made on June 14th, 2005.
The thirty-first amendment was made on June 14th, 2006.
The thirty-second amendment was made on June 13th, 2007.
The thirty- third amendment was made on June 17th, 2008.
The thirty-fourth amendment was made on June 17th, 2009.
The thirty-fifth amendment was made on June 17th, 2010.
The thirty-sixth amendment was made on June 28th, 2012.
The thirty-seventh amendment was made on June 28th, 2013.
The thirty-eighth amendment was made on June 24th, 2014.
The thirty-ninth revision was made on June 17th, 2016.
The fortieth amendment was made on June 26th, 2023.
The forty-first amendment was made on June 20th, 2025.

ACTION ELECTRONICS CO., LTD.
Regulations Governing the Election of Directors and
Independent Directors

Approved at the shareholders' meeting on June 26th 2023

- Article1. The election of the Company's directors, unless otherwise provided by law or the articles of incorporation, shall be handled in accordance with the provisions of these regulations.
- Article2. The election of the Company's directors shall be conducted at the shareholders' meeting. The ballots for directors will be collectively tallied, and independent directors and non-independent directors will be elected separately.
- Article3. Directors of the Company shall be elected by the shareholders' meeting from individuals who are capable of acting.
- Article4. The number of Directors of the Company shall be based on the number specified in the Articles of Incorporation.
- Article5. The election of the Company's directors shall adopt a cumulative voting system, where each share has voting rights equivalent to the number of directors to be elected. The votes may be concentrated to elect one person or distributed to elect several candidates.
- Article6. According to the number specified in the Articles of Incorporation, those with the highest number of voting rights shall be elected as independent directors and non-independent directors, respectively. If there are more than two persons with the same number of voting rights exceeding the number specified in the Articles of Incorporation, a draw shall be conducted among those with the same number of voting rights to determine the outcome. If any of those with the same number of voting rights are absent, the chairperson shall draw on their behalf.
- Article7. The Board of Directors shall prepare ballots equivalent to the number of directors to be elected, with voting rights indicated and distributed to shareholders attending the Shareholders' meeting. The voter can be identified by the attendance card number printed on the ballot instead of a signature.
- Article8. Before the election begins, the chair shall appoint certain numbers of vote monitoring and counting personnel to carry out related duties; however, all monitoring personnel shall be shareholders.
- Article9. A ballot box is set up by the Board of Directors and publicly inspected by the scrutineers before voting.
- Article10. (Deleted)
- Article11. The ballot is invalid if any of the following circumstances occur:
1. Ballots not prepared by the person with the power to convene.
 2. Those who cast a blank ballot into the ballot box.
 3. Illegible or altered handwriting.
 4. The person filled in as the nominee does not match the list of director candidates upon verification.
 5. Writing any additional text besides the allocation of voting rights.
- Article12. (Deleted)
- Article13. After the voting is completed, the ballots are counted on-site, and the results are announced on-site by the chairperson or their designated person, including the list of

elected Directors and their corresponding voting rights. The ballots for the Election Items: Full re-election of directors and independent directors, mentioned in the preceding paragraph shall be sealed and signed by the scrutineers, properly kept, and preserved for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Act, it shall be preserved until the conclusion of the litigation.

Article14. (Deleted)

Article15. Matters not stipulated in this rule shall be handled in accordance with the Company Act and relevant laws and regulations.

Article16. These rules will be implemented after approval by the shareholders' meeting, and the same applies when they are amended.

Article17. This method was established on May 14th, 1989.

The first amendment was made on June 14th, 2006.

The second amendment was made on June 28th, 2012.

The third amendment was made on June 24th, 2014.

The fourth amendment was made on June 26th, 2023.

Appendix 4

Action Electronics CO., LTD

Shareholding of Directors and Independent Directors

1. The paid-in capital of the Company amounts to NT\$ 2,771,574,960, and the number of shares is 277,157,496 shares.
2. In accordance with Article 26 of the Securities Exchange Law and Article 2 of the "Share Ratio and Verification Rules for Directors and Supervisors of Public Offering Companies", all directors of the company shall hold no less than 12,000,000 shares.

Data base: March 13, 2026

Position	Name	Current shareholding (Shars)	Shareholding ratio
Chairman	Peng Ting-Yu	4,715,983	1.70%
Director	Peng Chiun-Ping	20,683,303	7.46%
Director	Yeh Li-Wei	2,000,000	0.72%
Director	Liu Chiu Chi	5,101,000	1.84%
Director	Chao Teng Pang	1,442,820	0.52%
Director	Wen Yu mei	2,301,000	0.83%
Director	Shin Chuan Yuan Investment Co., Ltd Chin -Wan Tsai	1,000,000	0.36%
Director	Peng Hsiu yun	1,130,000	0.41%
Independent Director	Tang Peng Chin	0	0.00%
Independent Director	Chang Zhi-Yuan	0	0.00%
Independent Director	Yen Tzong Ming	0	0.00%
Total		38,374,106	13.84%