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Bestec Power Electronics Co., Ltd.

2024 ANNUAL REPORT

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I 、Letter to the Shareholders

Dear shareholders, Mr. and Mrs.

First of all, I would like to thank all shareholders for their support to Bestec's management team in the past year. At the same time, I would like to express my gratitude to all employees for their hard work.

2024 Annual Business Summary

In 2024, the global PC market is expected to grow slightly due to the replacement cycle and Windows upgrades. However, the overall global economic environment is still full of uncertainties. The replacement demand of consumers and enterprises tends to be conservative, and the associated demand for PC peripherals Demand has also slowed down, and major customers have suspended orders, resulting in an 87.42% decline in overall revenue in 2013 compared with 2012. Although revenue has declined significantly, due to the company's continued cost savings, the net profit after tax in 2024 will still be NT\$59,736,000.

(I)Business plan implementation results :

Unit: Thousands of NT dollars except for earnings (losses) per share in NT dollars

Item	2024	2023	Ratio of change (%)
Net operating income	67,774	538,650	(87.42)
Operating profit	16,111	174,127	(90.75)
Net operating loss	(34,662)	40,506	(185.57)
Net loss before tax	97,552	491,479	(80.15)
Net loss net iNet income	59,736	416,499	(85.66)
Earnings per share	0.98	5.79	(83.07)

(II)Profitability Analysis :

Year		2023	2023
ROA (%)		3.55	22.7
ROE (%)		5.43	49.19
Ratio of paid-in capital (%)	Net operating loss	(5.77)	5.78
	Net loss before tax	16.26	70.09
Profit rate (%)		88.14	82.29

(III) Research and Development Status

The company is mainly engaged in the research, development, design, manufacturing and sales of switching power supplies, switching DC power supply equipment systems, DC power converters, etc. Since the gross profit margin of traditional desktop power supplies and notebook adapters is low, the company plans to shift to the development of server power supplies. It also plans to develop lens modules with night vision functions, which will be mainly used in monitors and cameras for automatic driving of cars. We are currently actively looking for appropriate R&D talents.

R & D Status :

Year		2024	2023
Item			
R & D costs (A)		5,337	15,207
Net operating income (B)		67,774	538,650
(A)/(B)		7.87%	2.82%

Product R&D Strategy

- A. Improve the competitiveness of existing products and actively develop environmentally friendly products that are light, thin, compact, power-saving, and highly efficient.
- B. Power supply for development servers.
- C. Develop lens modules with night vision capabilities.

Summary of 2022-23 Business Plan

(1) Operating policy

1. Diversified operations. In addition to the electronics industry, it will also enter the hotel industry. The company has purchased commercial real estate in Tokyo, Japan, and plans to operate the hotel industry in Japan. At present, tourism is one of the main industries in Japan. The number of tourists visiting Japan in 2024 will reach 36.86 million people, nearly 5 million more than the 31.88 million people before the COVID-19 epidemic in 2019, also brought Japan more than 8.1395 trillion yen in tourism revenue, an increase of more than 50% compared with 5.29 trillion yen in 2023.
2. Actively invest in the research and development of new products.

(2) Operating objectives

1. On the one hand, strengthen education and training to cultivate the professional capabilities of employees. On the one hand, recruit personnel with relevant product development experience. And adopt appropriate management measures to give full play to the professionalism of the company's employees. Actively invest in the research and development and production of new products, deepen the company's product line, and increase the company's profits.
2. Continue to look for profitable industries to diversify operational risks.

The impact of the external competitive environment, regulatory environment and overall business environment.

The company will continue to promote diversification to avoid the impact of excessive product concentration on electronic-related products. The company will continue to recruit new product research and development talents and strengthen the professional education and training of personnel, so as to reduce the company's costs and strengthen the research and development capabilities of new products. In addition, we hope to avoid the impact of changes in the overall business environment through diversification.

I wish all shareholders good health and all the best.

Chairman: Chen Mingzhi

General manager: Deng Ruiling

Accounting Officer: Chen Jingchun

I、Corporate Governance Report

(I)、Information on Directors, General Managers, Vice Presidents, Assistant Vice Presidents, Heads of Departments and Branches：

1. Infomation of Director

(1). Director

April 30, 2024

Title	Nationality or place of registration	Name	Gender (Age)	Date of elected	Term of office	Date of first elected	Ownership upon elected		Current shareholdings		Current shareholdings by spouse and minor children		Shareholdings in the name of others		Main experience (education)	Positions concurrently held at other companies	Other heads, directors, or supervisors with a spousal relationship or second degree of kinship			Note
							Number of Shares	Percentage of ownership	Number of Shares	Percentage of ownership	Number of Shares	Percentage of ownership	Number of Shares	Percentage of ownership			Title	Name	Relationship	
Chairman	ROC	Forfun International CO., LTD	-	2021.08.27	3 years	2003.06.27	11,260,490	18.77	11,260,490	18.77	-	-	-	-	National Taiwan University EMBA credit class; Electronic Engineering Department of Wufeng Technical College	Chairman of Forfun International CO., LTD.; Chairman of Wan Jih Co., Ltd.; Chairman of Ninty Nine Electronics, Ltd.; Chairman of Xuhong Investment Co., Ltd.; Chairman of Xuli Investment Co., Ltd.; Chairman of Lianyao Investment Company;	Director	Chen Xiumei Ye Yongcheng	Second-degree relative. Second-degree relative.	None
	ROC	Chen Mingzhi (Representative of Forfun International CO., LTD)	Male (61-70)	2021.08.27	3 years	2003.06.27	4,824,476	8.04	4,824,476	8.04	4,281,979	7.14	-	-						
Vice Chairman	ROC	Deng Ruiling	Female (51-60)	2021.08.27	3 years	1995.06.20	918,929	1.53	918,929	1.53	-	-	-	-	New South Wales Institute of Technology, Australia Tamkang University French Department, Hongde Industrial Business, Executive Deputy General Manager of Bestec Power Electronic Co. Ltd General Manager of Bestec Power Electronic Co. Ltd	Chairman of Ruizhi Construction and Development Technology Co., Ltd., Director of Lianzhi Construction Technology Co., Ltd., Chairman of Anxu Biotechnology Co., Ltd., Chairman of Bestec Biotechnology Co., Ltd.; Chairman of Bestec Biotechnology Co., Ltd. Chairman of Baotai Construction Co., Ltd	None	None	None	None
Director	ROC	Chen Xiumei (Note 5)	Female (61-70)	2021.08.27	3 years	2012.06.22	4,562,125	4.63	2,022,905	3.37	-	-	-	-	Datong Vocational College Far East Mechanical Accounting Director of the Administrative Management Section of Bestec Electronics	None	Chairman Director	Chen Mingzhi Ye Yongcheng	Second-dgree relative. Second-degree relative.	None
Director	ROC	Ye Yongcheng (Note 5)	Male (71-80)	2021.08.27	3 years	2009.6.19	800,770	0.81	324,021	0.54	-	-	-	-	Soochow University Accounting Department. Director of the Accounting Office of the Indigenous Peoples Committee of the Executive Yuan	None	Chairman Director	Chen Mingzhi Chen Xiumei	Second-degree relative. Second-degree relative.	None
Director	ROC	Chen Songzhe (Note 5)	Male (30-40)	2024.6.28	3 years	2024.6.28	5,512,615	9.19%	5,983,603	9.97%					California State University Fullerton/MBA PM of Bestec Power Electronic Co. Ltd	ASUS Computer-PM	Chairman Director	Chen Mingzhi Chen Yiwen	First-degree relative. Second-degree relative.	None
Director	ROC	Chen Yiwen (Note 5)	Female (30-40)	2024.6.28	3 years	2024.6.28	5,170,642	8.62%	5,641,629	9.40%					California State University Fullerton/MBA PM of Bestec Power Electronic Co. Ltd · Ubiquiti-MP PM	None	Chairman Director	Chen Mingzhi Chen Yiwen	First-degree relative. Second-degree relative.	None

Title	Nationality or place of registration	Name	Gender	Date of elected	Term of office	Date of first elected	Ownership upon elected		Current shareholdings		Current shareholdings by spouse and minor children		Shareholdings in the name of others		Main experience (education)	Positions concurrently held at other companies	Other heads, directors, or supervisors with a spousal relationship or second degree of kinship			Note
							Number of Shares	Percentage of ownership	Number of Shares	Percentage of ownership	Number of Shares	Percentage of ownership	Number of Shares	Percentage of ownership			Title	Name	Relationship	
Independent Director	ROC	Hu Senxiong (Note 5)	Male (81-90)	2021.08.27	3 years	2003.06.27	34,572	0.04	20,985	0.03	32,248	50.0	-	-	Accounting and Statistics Department of Datong Commercial College Deputy Manager of Changhua Bank	None	None	None	None	None
Independent Director	ROC	Jian Junyan (Note 5)	Male (71-80)	2021.08.27	3 years	2016.6.29	0	0	-	-	-	-	-	-	Graduated from the Department of Business Administration, Datong Institute of Technology Secretary to the Director of the National Taxation Bureau, Taipei City, Ministry of Finance Director of the First Division of the National Taxation Bureau, Taipei City, Ministry of Finance Director of Zhongzheng Taxation Office Director of Wanhua Excise Office	None	None	None	None	None
Independent Director	ROC	Chen Qiulin (Note 5)	Male (60-70)	2021.08.27	3 years	2005.6.24	6,000	0.01	-	-	-	-	-	-	Ph.D.of Institute of Electrical Engineering, National Taiwan University Professor of Institute of Electrical Engineering, National Taiwan University Deputy Director of Green Energy Institute of Industrial Technology Research Institute Liju Electronics Co., Ltd. general manager	Adjunct Professor of Institute of Electronics, National Taiwan University Independent Director of Lien Chang Electronic Enterprise Co.,Ltd Senior Vice President of FocalTech Systems Co., Ltd.	None	None	None	None
Independent Director	ROC	Wang Ruibin (Note 5)	Male (60-70)	2024.06.28	3 years	2024.06.28	0	0	0	0					Master of Accounting, University of Houston Master of Business Administration, Eastern Michigan University Vice President of Information and Network Business Group, General Manager of Popular Computer	Director and Deputy General Manager of Chih Hong Technology Co., Ltd. AVC AMERICA INC. Legal Representative Director Independent Director of Huimin Industrial Co., Ltd.	None	None	None	None
Independent Director	ROC	Lin Lifen (Note 5)	Female (50-60)	2024.06.28	3 years	2024.06.28	0	0	0	0					Graduated from National Taiwan University, Department of Accounting Certified Public Accountant of the Republic of China Team Leader, Zhengye United Certified Public Accountants Chief Accountant, Yutong Global Technology Co., Ltd.	Rotating accountant of Taipei City Government's Department of Commerce, director of Lin Lifen Certified Public Accountants, and independent director of Kuanhong Art Agency Co., Ltd. Independent Director of Ditu Technology and Culture Co., Ltd.	None	None	None	None

Independent Director	ROC	Chen Baihua (Note 5)	Male (50-60)	2024.06.28	3 years	2024.06.28	0	0	0	0					Master of Economics, National Taiwan University PhD, College of Finance and Economics, Taipei University of Business Certified Public Accountant of the Republic of China	Director of Dunwei United Accounting Firm, Honorary Chairman of Taipei Certified Public Accountants Association, Adjunct Associate Professor of National Taipei University of Business	None	None	None	None
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Note 1:For legal person shareholders, the name of the legal person shareholder and representative should be listed separately (if it is a representative of a legal person shareholder, the name of the legal person shareholder should be indicated), and the following table 1 should be filled out.

Note 2:Fill in the time when you served as the company's director or supervisor for the first time. If there is any interruption, you should note it.

Note 3:The experience related to holding the current position. If you have worked in a verification and certification accounting firm or an affiliated company during the period disclosed above, you should state the title you hold and the title of the person in charge.

Note 4: The chairman of the company and the general manager or a person with equivalent position (top manager) are the same person, each other’s spouse or first-degree relative. Relevant information should explain the reasons, rationality, necessity and countermeasures (such as increasing the number of independent directors. More than half of the directors should not concurrently serve as employees or managers, etc.): Not available.

Note 5: Directors (including independent directors) Chen Xiumei, Ye Yongcheng, Hu Senxiong, Jian Junyan, and Chen Qiulin resigned on June 28, 2014. Directors (including independent directors) Chen Songzhe, Chen Yiwen, Wang Ruibin, Lin Lifen, and Chen Bohua took office on June 28, 2014.

Table 1 : Major shareholders of the institutional shareholders

April 29,2024

Name of Institutional shareholder (Note 1)	Major shareholders of the institutional shareholders	Percentage of ownership
Forfun International Co., Ltd.	Chairman:Chen Mingzhi	90.15%
	Supervisor:Chen Songzhe	4.93%
	Stockholder:Chen Yiwen	2.53%
	Stockholder:Li Huiyu	2.38%

Note 1: If the director and supervisor is a representative of a legal person shareholder, the name of the legal person shareholder should be filled in.

Note 2: Fill in the name of the main shareholder of the legal person shareholder (whose shareholding ratio accounts for the top ten) and the shareholding ratio. If the major shareholder is a legal person, the following table 2 shall be filled in again.

Note 3: If the legal person shareholder is not a company organization, the shareholder name and shareholding ratio that should be disclosed in the opening statement are the name of the investor or donor and their capital contribution or donation ratio.

Table 2 : Table 1 Major Shareholders of Legal Persons

April 29,2024

Legal person name (Note 1)	Major shareholders of legal persons (Note 2)
None	None

Note 1: If the major shareholder in Table 1 above is a legal person, the name of the legal person should be filled in.

Note 2: Fill in the name of the main shareholder of the legal person (whose shareholding ratio accounts for the top ten) and their shareholding ratio.

Note 3: If the legal person shareholder is not a company organization, the shareholder name and shareholding ratio that should be disclosed in the opening statement are the name of the investor or donor and their capital contribution or donation ratio.

(2)Information of Dierector

Qualification s Name (Note1)	Professional qualifications and experience	Independence (Note 2)	Number of independent directors concurrently serving as other public offering companies
Chen Mingzhi	Possess work experience required for business and corporate business. Chairman of Bestec Power Electronics Co, Ltd; Chairman of Forfune International Co., Ltd; Chairman of Wan Jhih Electronic Limited ; Chairman of Ninty-Nine Electronics Co., Ltd.; Chairman of Bestec Power Electronics (Dongguan) Co., Ltd. Chairman of Bestec Power Electronics (Suzhou) Co., Ltd.; Chairman of Xuhong Investment Co., Ltd.; Chairman of Xuli Investment Co., Ltd. Chairman of Bestec Power International Ltd.. Chairman of Enteck power Electronic Co., Ltd. Chairman of Popular brand Co., Ltd. Chairman of Lianyao Investment Co., Ltd. None of the items in Article 30 of the Company Act.	Director	None
Deng Ruiling	Possess work experience required for business and corporate business. Department of Hongde Xingye business; Executive Deputy General Manager of Bestec Power Electronics Co, Ltd ; General Manager of Bestec Power Electronics Co, Ltd . None of the items in Article 30 of the Company Act.	Director	None
Chen Yiwen	Have working experience required for business and corporate business. ISD Interior Design-Design Assistant, BULA-Administration, Liande Electronics Co., Ltd. PM, Ubiquiti-PM PM There are no cumstances under Article 30 of the Company Law.	Director	None
Chen Songzhe	Have working experience in business and accounting. PM of Liande Electronics Co., Ltd., PM of ASUS Computer. There are no circumstances under Article 30 of the Company Law.	Director	None
Wang Ruibin	Have working experience in finance and accounting. Director and deputy general manager of Qihong Technology Co., Ltd., legal representative director of AVC AMERICA INC. Independent director of Huimin Industrial Co., Ltd. There are no circumstances under Article 30 of the Company Law.	As an independent director and meets the conditions of independence, including but not limited to the fact that I, my spouse, and relatives within the second degree are not directors, supervisors, or employees of the company or its affiliated companies; I, my spouse, minor children, or others none of them hold more than 1% of the total issued shares of the company or are the top ten natural person shareholders; they have not acted as directors, supervisors or employees of companies that have a specific relationship with the company; The amount of remuneration received by the company or its affiliated companies for providing business, legal, financial, accounting and other services in the last 2 years.	1
Lin Lifen	Have working experience required for business and corporate business. Director of Lin Lifen Accounting Firm. There are no circumstances under Article 30 of the Company Law.	As an independent director and meets the conditions of independence, including but not limited to the fact that I, my spouse, and relatives within the second degree are not directors, supervisors, or employees of the company or its affiliated companies; I, my spouse, minor children, or others none of them hold more than 1% of the total issued shares of the company or are the top ten natural person shareholders; they have not acted as directors, supervisors or employees of companies that have a specific relationship with the company; The amount of remuneration received by the company or its affiliated companies for providing business, legal, financial, accounting and other services in the last 2 years.	2
Chen Baihua	Have working experience in finance and accounting. Director of Dunwei United Accounting Firm There are no circumstances under Article 30 of the Company Law.	As an independent director and meets the conditions of independence, including but not limited to the fact that I, my spouse, and relatives within the second degree are not directors, supervisors, or employees of the company or its affiliated companies; I, my spouse, minor children, or others none of them hold more than 1% of the total issued shares of the company or are the top ten natural person shareholders; they have not acted as directors, supervisors or employees of companies that have a specific relationship with the company; The amount of remuneration received by the company or its affiliated companies for providing business, legal, financial, accounting and other services in the last 2 years.	None

Note 1: The number of columns is adjusted according to the actual number.

Note 2: Directors and supervisors who meet the following conditions in the two years before the election and during their tenure, please tick "✓" in the space below each condition code.

2.General Managers, Vice Presidents, Assistant Vice Presidents, Heads of Departments and Branches

April 30,2024

Title	Nationality	Name	Gender	Date of taking office	Ownership		Shareholdings by spouse and minor children		Shareholdings in the name of others		Main experience (education)	Positions concurrently held at other companies	Manager with a spousal relationship or second degree of kinship			Note
					Number of Shares	Percentage of ownership	Number of Shares	Percentage of ownership	Number of Shares	Percentage of ownership			Title	Name	Realation ship	
General Manager	R.O.C	Deng Ruiling	Female	2024.06.28	918,929	1.53	0	0	0	0	See page 11	See page 11	None	None	None	None
Head of Finance and Accounting Department	R.O.C	Chen Jingchun	Female	2023.06.20	0	0	0	0	0	0	Graduated from Deming Commerce College, Department of Accounting and Statistics Head of Finance Department, Bestec Power Electronics Co., Ltd.	None	None	None	None	

Note 1: General Manager Chen Mingzhi resigned on 112/03/28, and Vice Chairman Deng Ruiling also served as General Manager.

Note 2: When the general manager or a person with equivalent position (top manager) and the chairman of the board of directors are the same person, spouse or first-degree relative, the reasons, rationality, necessity and countermeasures (such as increasing the number of independent directors) should be disclosed . And there should be relevant information that more than half of the directors do not concurrently serve as employees or managers): Not applicable.

3. Remuneration to Directors, Supervisors, General Managers, and Vice Presidents

(1) Remuneration to general directors, independent director

Unit: Thousands of New Taiwan Dollars; Thousands of shares/December 31, 2024

Title	Name	Remuneration to directors								Sum of A, B, C, and D as a percentage of the net income after tax		Remuneration for working as employee concurrently								Sum of A, B, C, D, E, F, and G as a percentage of the net income after tax		Remuneration from investees other than subsidiaries or parent company	
		Compensation (A)		Post-employment pension (B)		Considerations to director (C)		Business execution expenses(D)				Salary, bonus, and special allowance (E)		Post-employment pension (F)		Employee compensation (G)				A percentage of the net income after tax			
		The Company	All companies listed in the financial statement	The Company	All companies listed in the financial statement	The Company	All companies listed in the financial statement	The Company	All companies listed in the financial statement	The Company						All companies listed in the financial statement		The Company	All companies listed in the financial statement				
Chairman	Chen Mingzhi (Representative of Fortune International CO., LTD)	360	360	0	0	276	276	5	5	641 1.07	641 1.07	1,080	2,400	0	0	2,345	0	2,345	0	4,066 6.81	5,386 9.02	0	
Vice Chairman	Deng Ruiling	360	360	0	0	276	276	5	5	641 1.07	641 1.07	960	3,520	77	77	1,906	0	1,906	0	3,584 6.00	6,144 10.29	0	
Director	Chen Xiumei (Note 3)	180	180	0	0	138	138	5	5	323 0.54	323 0.54	0	0	0	0	0	0	0	0	323 0.54	323 0.54	0	
Director	Ye Yongcheng (Note 3)	180	180	0	0	138	138	5	5	323 0.54	323 0.54	0	0	0	0	0	0	0	0	323 0.53	323 0.53	0	
Director	Chen Songzhe (Note 3)	180	180	0	0	138	138	0	0	318 0.53	318 0.53	0	0	0	0	0	0	0	0	318 0.53	318 0.53	0	
Director	Chen Yiwen (Note 3)	180	180	0	0	138	138	0	0	318 0.53	318 0.53	0	0	0	0	0	0	0	0	318 0.54	318 0.54	0	
Independent	Hu Senxiong (Note 3)	240	240	0	0	138	138	5	5	383 0.64	383 0.64	0	0	0	0	0	0	0	0	383 0.64	383 0.64	0	

Direct or																						
Independent Director	Chen Qiulin (Note 3)	240	240	0	0	138	138	5	5	383 0.64	383 0.64	0	0	0	0	0	0	0	0	383 0.64	383 0.64	0
Independent Director	Jian Junyan (Note 3)	240	240	0	0	138	138	5	5	383 0.64	383 0.64	0	0	0	0	0	0	0	0	383 0.64	383 0.64	0
Independent Director	Wang Ruibin (Note 3)	240	240	0	0	138	138	0	0	378 0.63	378 0.63	0	0	0	0	0	0	0	0	378 0.63	378 0.63	0
Independent Director	L(Note 3)in Lifen	240	240	0	0	138	138	0	0	378 0.63	378 0.63	0	0	0	0	0	0	0	0	378 0.63	378 0.63	0
Independent Director	Chen Baihua (Note 3)	240	240	0	0	138	138	0	0	378 0.63	378 0.63	0	0	0	0	0	0	0	0	378 0.63	378 0.63	0

1. Please describe the independent director's remuneration payment policy, system, standards and structure, and describe the relationship with the amount of remuneration according to the responsibilities, risks, investment time and other factors: according to Article 17-1 of the company's articles of association It stipulates that its remuneration authorizes the board of directors to negotiate according to the degree of participation in the company's operations and the value of its contribution, and with reference to the usual level of peers.
2. The remuneration of directors in 2024 has not yet been paid, so the remuneration of each director is estimated based on the NT\$1,932,000 appropriated in 2024 and evenly distributed among the number of directors and their tenure. In addition, the employee remuneration appropriated in 2024 is NT\$4,831,000. Yuan has not actually been paid yet, so we first estimate the proportion of employee remuneration received by part-time directors in 2023. In addition, the remuneration received by the company's directors for providing services to all companies in the financial report (such as serving as non-employee consultants, etc.) in the most recent year: 0.

Note 1: The company did not remunerate directors and employees who serve as part-time employees in 2024.

Note 2: All companies in the consolidated statements include the company's figures.

Note 3: Directors have no other income except for serving as part-time employees.

Table of Remuneration Ranges

	Name of director			
	Sum of the first four items (A+B+C+D)		Sum of the first seven items (A+B+C+D+E+F+G)	
	The Company	All companies listed in the financial statements (H)	The Company	All companies listed in the financial statements(I)
Less than NT\$1,000,000	Chen Mingzhi, Deng Ruiling, Chen Xiumei, Hu Senxiong, Chen Qiulin, Jian Junyan, Ye Yongcheng, Wang Ruibin, Lin Lifen, Chen Baihua, Chen Yiwen, Chen Songzhe	Chen Mingzhi, Deng Ruiling, Chen Xiumei, Hu Senxiong, Chen Qiulin, Jian Junyan, Ye Yongcheng, Wang Ruibin, Lin Lifen, Chen Baihua, Chen Yiwen, Chen Songzhe	Chen Xiumei, Hu Senxiong, Chen Qiulin, Jian Junyan, Ye Yongcheng, Wang Ruibin, Lin Lifen, Chen Baihua, Chen Yiwen, Chen Songzhe	Chen Xiumei, Hu Senxiong, Chen Qiulin, Jian Junyan, Ye Yongcheng, Wang Ruibin, Lin Lifen, Chen Baihua, Chen Yiwen, Chen Songzhe
NT\$1,000,000(inclusive)~ NT\$2,000,000(not inclusive)	-	-	-	-
NT\$2,000,000(inclusive)~ NT\$3,500,000(not inclusive)	-	-	-	-
NT\$3,500,000(inclusive)~ NT\$5,000,000(not inclusive)	-	-	Chen Mingzhi 、 Deng Ruiling	-
NT\$5,000,000(inclusive)~ NT\$10,000,000(not inclusive)	-	-	-	Chen Mingzhi 、Deng Ruiling
NT\$10,000,000(inclusive)~ NT\$15,000,000(not inclusive)	-	-	-	-
NT\$15,000,000(inclusive)~ NT\$30,000,000(not inclusive)	-	-	-	-
NT\$30,000,000(inclusive)~ NT\$50,000,000(not inclusive)	-	-	-	-
NT\$50,000,000(inclusive)~ NT\$100,000,000(not inclusive)	-	-	-	-
NT\$100,000,000 or more	-	-	-	-
Total	12people	12people	12people	12people

(2) Remuneration to general managers and vice presidents

Unit: NT\$ 1,000/1,000 shares / December 31, 2024

Title	Name	Salary (A)		Post-employment pension ((B)		Bonus and special allowance(C)		Employee compensation (D)				Sum of A, B, C, and D as a percentage of the net income after tax (%) (Note 1)		Whether receive remuneration from investees other than subsidiaries or parent company
		The Company	All companies listed in the financial statement (Note 1)	The Company	All companies listed in the financial statement (Note 1)	The Company	All companies listed in the financial statement (Note 1)	The Company		All companies listed in the financial statement (Note 1)		The Company	All companies listed in the financial statement (Note 1)	
								Cash amount	Stock amount	Cash amount	Stock amount			
General Manager	Deng Ruiling	960	3,520	77	77	0	0	1,906	0	1,906	0	2,943 4.93	5,503 9.22	0

Note 1 : All companies in the consolidated statements include the figures of the company .

Table of Remuneration Ranges

	Name of general manager and vice president	
	The Company	All companies listed in the financial statement
Less than NT\$1,000,000	-	-
NT\$1,000,000(inclusive)~ NT\$2,000,000(not inclusive)	-	-
NT\$2,000,000(inclusive)~ NT\$3,500,000(not inclusive)	Deng Ruiling	-
NT\$3,500,000(inclusive)~ NT\$5,000,000(not inclusive)	-	-
NT\$5,000,000(inclusive)~ NT\$10,000,000(not inclusive)	-	Deng Ruiling
NT\$10,000,000(inclusive)~ NT\$15,000,000(not inclusive)	-	-
NT\$15,000,000(inclusive)~ NT\$30,000,000(not inclusive)	-	-
NT\$30,000,000(inclusive)~ NT\$50,000,000(not inclusive)	-	-
NT\$50,000,000(inclusive)~ NT\$100,000,000(not inclusive)	-	-
NT\$100,000,000 or more	-	-

Total	1person	1person
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(3) Remuneration of the executives with the top five highest remuneration

Unit: NT\$ 1,000/1,000 shares/December 31,2023

Title	Name	Salary (A)		Post-employment pension (B)		Bonus and special allowance(C)		Employee compensation (D)				Sum of A, B, C, and D as a percentage of the net income after tax (%) (Note 1)		Whether receive remuneration from investees other than subsidiaries or parent company
		The Company	All companies listed in the financial statement	The Company	All companies listed in the financial statement	The Company	All companies listed in the financial statement	The Company		All companies listed in the financial statement		The Company	All companies listed in the financial statement (Note 2)	
								Cash amount	Stock amount	Cash amount	Stock amount			
Chairman	Chen Mingzhi	1,080	2,400	0	0	0	0	2,345	0	2,345	0	3,425 5.74	4,745 7.95	0
Vice Chairman & General Manager	Deng Ruiling	960	3,520	77	77	0	0	1,906	0	1,906	0	2,943 4.93	5,503 9.22	0

(4)The name of the manager who distributed employee bonuses in the most recent year and the distribution situation : Chairman Mr. Chen Mingzhi and Vice Chairman Ms. Deng Ruiling have allocated employee remuneration of NT\$14,763,000 and NT\$12,000,000 respectively in 2023..

4.Comparing and explaining the ratio of the total amount of remuneration paid to the company's directors, supervisors, general managers and deputy general managers in the last two years by the company and all companies in the consolidated statement to the after-tax net profit, and explaining the policy, standard and combination of payment remuneration, and setting Remuneration procedures, correlation with business performance and future risks.

(1) Analysis of the ratio of the total amount of remuneration paid by the company and all companies in the consolidated statement to the company's directors, supervisors, general manager and deputy general manager to the after-tax net profit :

Unit : %

Title \ Years	2024		2023	
	The company	All companies listed in the financial statement	The company	All companies listed in the financial statement
Director	18.79	25.28	1.14	2.30
Supervisor	-	-	-	-
General Manager and Deputy General Manager	4.93	9.21	0.51	1.58

(2) Regarding the policy, standard and combination of payment of remuneration, the procedure of setting remuneration and the relationship between business performance and future risks:

The remuneration of directors and supervisors mainly includes the remuneration of traveling expenses and the remuneration of directors and supervisors for the distribution of profits. Reported to the board of directors in accordance with the regulations and approved by the resolution of the shareholders meeting.

The payment of remuneration for the general manager and deputy general manager mainly includes salary, bonus, employee bonus and employee stock option certificate, etc., which are based on the positions held and contributions to the company and refer to the industry standards and consider the company's operating performance, personal performance and future The relationship and rationality of the risk.

(3)The name of the manager who distributes employee remuneration and the distribution situation

December 31, 2023 ; Unit : Shares ; NT\$1,000

	Title	Name	Stock amount	Cash amount	Total	Proportion of net profit after tax
Manager	Chairman	Chen Mingzhi	0	4, 251	4, 251	7. 12%
	Vice Chairman & General manager	Deng Ruiling				

Note: The employee compensation industry for 2024 was approved by the board of directors on March 13, 2025. The manager distribution number is calculated based on the proportion of the employee compensation amount actually distributed by the manager in 2024. This year's proposed distribution amount is calculated.

(II) 、Corporate Governance：

1.The operation of the board of directors:

In the most recent year (from January 1, 2024 to December 31, 2024), the board of directors met 8 times (A), and the attendance of directors is as follows:

Title	Name	Attendance in person (B)	Attendance by proxy	Actual attendance rate (%) 【B/A】	Note
Chairman	Chen Mingzhi (Representative of Forfune International CO., LTD)	8	0	100.00%	Re-elected on 2024.6.28
Vice Chairman	Deng Ruiling	7	0	87.50%	Re-elected on 2024.6.28
Director	Chen Xiumei	3	0	100.00%	Retired on June 28, 2024
Director	Ye Yongcheng	3	0	100.00%	Retired on June 28, 2024
Director	Chen Yiwen	5	0	100.00%	Newly appointed on June 28, 2024
Director	Chen Songzhe	5	0		Newly appointed on June 28, 2024
Independent Director	Hu Senxiong	3	0	100.00%	Retired on June 28, 2024
Independent Director	Chen Qiulin	2	0	100.00%	Retired on June 28, 2024
Independent Director	Jian Junyan	3	0	100.00%	Retired on June 28, 2024
Independent Director	Wang Ruibin	5	0	100.00%	Newly appointed on June 28, 2024
Independent Director	Chen Baihua	5	0	100.00%	Newly appointed on June 28, 2024
Independent Director	Lin Lifen	5	0	100.00%	Newly appointed on June 28, 2024

Attendance of independent directors at the board of directors in the most recent year:

Date Name	March15,2024	May15,2024	Jun21,2024
Hu Senxiong	Attendance in person	Attendance in person	Attendance in person
Chen Qiulin	Attendance in person	Attendance in person	Ask for leave
Jian Junyan	Attendance in person	Attendance in person	Attendance in person

Date Name	Jun28,2024	July24,2024	Aug12,2024 4	Nov13,2024	Dec23,2024
Wang Ruibin	Attendance in person	Attendance in person	Attendance in person	Attendance in person	Attendance In person
Chen Baihua	Attendance in person	Attendance in person	Attendance in person	Attendance in person	Attendance In person
Lin Lifen	Attendance in person	Attendance in person	Attendance in person	Attendance in person	Attendance In person

Other special notes:

(I)Other special notes:

1. Matters listed in Article 14-3 of the Securities and Exchange Act: : Not applicable.
2. In addition to said matters, other board meeting resolutions for which independent directors opposed or had reservation about with records or written statements: Not applicable.

(II) Regarding the directors' recusal from proposals with conflicts of interest, the name of director, content of proposal, reasons for recusal, and the circumstances of participation in voting shall be stated: None

(III) Information on the cycle and period, scope, method, and content of the Company's board of directors' self-evaluation.

Cycle	Period	Scope	Method	Content
Once a year	Performance of the board of directors from January 1, 2024 to December 31, 2024.	Evaluation of the performance of the board of directors, individual directors, and functional committees	Internal selfevaluation of the board of directors, selfevaluation of directors, and other appropriate methods	1. The measurement items of the performance evaluation of the company's board of directors include the following five aspects: A. The degree of participation in the company's operations. B. Improve the quality of board decision-making. C. Board Composition and Structure. D. Selection and continuing education of directors. E. Internal Controls. 2. The measurement items of directors' self-performance evaluation include the following six aspects: A. Master the company's goals and tasks. B. Responsibilities of Directors. C. The degree of participation in the company's operations. D. Internal relationship management and communication. E. Professional and continuing education of directors. F. Internal Controls. 3. The measurement items of the performance evaluation of the remuneration committee should at least include the following four aspects: A. The degree of participation in the company's operations. B. Cognition of the Remuneration Committee's responsibilities. C. Improve the decision-making quality of the compensation committee. D. The composition and selection of members of the Salary and Remuneration

					Committee. 4. The measurement items of the performance evaluation of the audit committee should at least include the following four aspects: A. The degree of participation in the company's operations. B. Cognition of Audit Committee's Responsibilities. C. Improve the decision-making quality of the audit committee. D. The composition and selection of members of the Audit Committee. E. Internal Controls.
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(IV) The goals of strengthening the functions of the board of directors in the current year and the most recent year (such as the establishment of an audit committee, improving information transparency, etc.) and the evaluation of the implementation situation.

1. The company has formulated the procedures for the board of directors meeting as the basis for the operation of the board of directors.
2. The company's board of directors approves major proposals, which are announced and reported in accordance with regulations.
3. The company has elected independent directors at the shareholders' meeting on August 27, 2021, and set up an audit committee to replace the supervisor.
4. The company's board of directors meets at least once a quarter to review business performance and discuss important strategic issues, including environmental, social and economic impacts, risks and opportunities.
5. According to the company's "Board Performance Evaluation Measures", the internal board performance evaluation should be carried out every year, and the internal evaluation of the performance evaluation of the board of directors in 2024 has been completed in early 2025.

Note1: Where directors and supervisors are legal persons, the names of the legal person shareholders and their representatives shall be disclosed.

Note2: If a director or supervisor resigns before the end of the year, the date of resignation should be indicated in the remarks column, and the actual attendance (list) rate (%) is calculated based on the number of board meetings and the actual number of attendance (list) during the period of office. .

Note3: Before the end of the year, if there is a re-election of directors and supervisors, both the new and old directors and supervisors should be listed, and the directors and supervisors should be the former, new or re-elected and the date of re-election in the remarks column. The actual attendance (list) rate (%) is calculated based on the number of board meetings and the number of actual attendance (list) during the term of office.

2.Operation of the Audit Committee

(1)Operation of the Audit Committee

The board of directors held 8 meetings (A)in the last year, and the attendance of independent directors is as follows :

Title	Name	Attendance in person (B)	Actual attendance rate (%) 【B/A】 (Note 1)	Note
Convener	Chen Qiulin	2	66.67	Retired on June 28, 2024
Committee member	Hu Senxiong	3	100.00	Retired on June 28, 2024
Committee member	Jian Junyan	3	100.00	Retired on June 28, 2024
Convener	Wang Ruibin	4	100.00	Newly appointed on June 28, 2024
Committee member	Chen Baihua	4	100.00	Newly appointed on June 28, 2024
Committee member	Lin Lifen	4	100.00	Newly appointed on June 28, 2024

Other matters to be recorded:

(I)If any of the following situations occurs in the operation of the audit committee, the audit committee meeting date, period, content of proposals, independent directors' objections, reserved opinions, or content of major proposals, audit committee resolution results, and the company's handling of the audit committee's opinions should be stated .

1.Matters listed in Article 14-5 of the Securities and Exchange Act.

Date	Period	Motion content	Results of Audit Committee Resolutions	Result of board resolution
2024.03.15	1st session The 15th time	The company's 2023 business report and financial statements.	Passed without objection	Passed without objection
2024.03.15	1st session The 15th time	The company's 2023 "Effectiveness Assessment of Internal Control System" and "Declaration of Internal Control System" case.	Passed without objection	Passed without objection
2024.03.15	1st session The 15th time	A case of assessing the independence and competency of financial report certification accountants and their affiliated accounting firms.	Passed without objection	Passed without objection
2024.03.15	1st session The 15th time	Revise the company's "Procedures for Acquisition or Disposal of Assets".	Passed without objection	Passed without objection
2024.05.15	1st session The 16th time	The company plans to purchase real estate in Kitaotsuka 2-chome, Toshima-ku, Tokyo, Japan.	Passed without objection	Passed without objection
2024.06.21	1st session The 17th time	The company plans to purchase real estate in Kitaotsuka 2-chome, Toshima-ku, Tokyo, Japan.	Passed without objection	Passed without objection
2024.07.24	2nd session The first time	The company plans to loan funds to its Japanese subsidiary	Passed without objection	Passed without objection
2024.07.24	2nd session The 2nd time	The Company intends to endorse and guarantee the Japanese subsidiary case	Passed without objection	Passed without objection
2024.08.12	2nd session The 2nd time	Review Report of the Company's Consolidated Financial Report for the Second Quarter of 2024 in the Republic of China	Passed without objection	Passed without objection
2024.11.13	2nd session The 3rd time	Review Report of the Company's Consolidated Financial Report for the Third Quarter of 2024 in the Republic of China	Passed without objection	Passed without objection
2024.11.13	2nd session The 3rd time	Formulate the company's sustainability report preparation and assurance	Passed without objection	Passed without objection

		procedures.		
2024.11.13	2nd session The 3rd time	Dongguan Wanlin Electronics Co., Ltd.'s capital loan case against Jiude Electronics.	Passed without objection	Passed without objection
2024.12.23	2nd session The 4th time	Reducing the amount of guarantee amount endorsed by Liande Electronics to Liande Co., Ltd. Passed the visa accountant's internal adjustment case.	Passed without objection	Passed without objection

2.In addition to the above-mentioned matters, other resolutions that have not been passed by the Audit Committee and approved by more than two-thirds of all directors ◦

(II)The implementation of independent directors' recusal of interest-related proposals shall state the independent director's name, content of the proposal, reasons for recusal of interests, and participation in voting:None ◦

(III).Communications between independent directors and internal audit supervisors and accountants (should include major events, methods and results of communication on the company's financial and business conditions):

1. Communication methods between independent directors, internal audit supervisors and accountants:
 - (1)The internal audit department of the company regularly convenes the audit committee at least once a quarter to explain the audit business, audit results and follow-up status to the independent directors.
 - (2)In the quarterly Audit Committee meeting, the certified accountants of the company shall review or check the results of the financial statements of the company and its domestic and overseas subsidiaries, internal control checks, the impact of the revision and release of IFRSs bulletins on the company, and other relevant legal requirements Issues, etc., to report to the independent directors, and communicate whether there are no financial statement adjustment entries or whether the revision of laws and regulations affects the accounting method.
 - (3)Audit supervisors, accountants and independent directors can contact each other directly at any time as needed, and the communication channels are smooth.
- 2.Summary of previous communications between independent directors and internal audit supervisors: The company's independent directors have good communication with regard to the implementation and effectiveness of the audit business.

(IV)The annual work focus of the Audit Committee:
Including reviewing the company's various financial reports, internal audit reports, supervising the company's various important risk issues and internal control, and reviewing the independence and suitability of certified accountants.

3. The operation of corporate governance and its differences from the Code of Practice for Corporate Governance of Listed Companies and the Reasons

Evaluation items	Operating situation (Note 1)			Differences from the Governance Code of Practice for Listed Companies and Reasons
	Yes	No	Summary description	
(I)Does the company formulate and disclose the code of corporate governance practice in accordance with the "Code of Practice for Corporate Governance for Listed Companies"?	√		The company has formulated a corporate governance code of practice and disclosed it on the public information observation station for compliance.	Consistent with Governance Code of Practice provisions.
(II)Company Shareholding Structure and Shareholders' Equity 1.Whether the company has established internal operating procedures to deal with shareholders' suggestions, doubts, disputes and litigation matters, and implement them in accordance with the procedures ? 2.Whether the company has a list of the major shareholders who	√		In order to ensure the interests of shareholders, the company has a spokesperson and an acting spokesperson as the corresponding window to handle related matters. Most of the company's current major shareholders are owned by the management team or their relatives. The company can always grasp the list of major shareholders who actually control the company, and through the	Consistent with Governance Code of Practice provisions.

actually control the company and the ultimate controller of the major shareholders ?	√		stock affairs agency, fully grasp and understand the shareholder structure to ensure the stability of management rights.	
3.Whether the company has established and implemented risk control and firewall mechanisms with related companies ?	√		The management rights and responsibilities between the company and its affiliated companies are clearly divided, and business transactions are also carried out in accordance with the relevant regulations of the company's internal control system.	
4.Does the company have internal regulations to prohibit company insiders from using unpublished information in the market to buy and sell securities?	√		The company has established internal major information handling procedures to regulate all employees, managers and directors of the company, as well as anyone who knows the company's information based on occupation or control relationship, and prohibits any behavior that may involve insider trading to protect investors and Safeguard the rights and interests of the company.	Consistent with Governance Code of Practice provisions.
(III)Composition and Responsibilities of the Board of Directors				
1.Does the board of directors formulate diversity policies, specific management objectives and implement them?	√		The nomination of the company's directors has gone through a rigorous selection process. In addition to considering the industry's professional background, it also has a leadership reputation in the society. At present, the six members of the board of directors have professional abilities in finance, accounting, legal affairs, leadership, decision-making, and economic management, which are helpful to the company's development and operation.	Consistent with Governance Code of Practice provisions.
2.Has the company voluntarily set up various other functional committees besides the remuneration committee and the audit committee in accordance with the law?	√		The company has set up a remuneration committee and an audit committee in accordance with the law, and has formulated the organizational charter of the remuneration committee and the organizational regulations of the audit committee. In the future, other functional committees will be established according to operational needs and legal requirements.	
3.Has the company formulated the performance evaluation method and evaluation method of the board of directors, conducted performance evaluation and evaluation every year and regularly, and reported the results of the performance evaluation to the board of directors, and used it as a reference for the salary of individual directors and nomination for renewal?	√		The company has formulated the performance evaluation method of the board of directors. At the end of each year, the performance evaluation of the board of directors is carried out. The evaluation methods include the operational performance of the board of directors, the annual self-evaluation of the functional committees of the overall board of directors and individual directors, and submit an evaluation report to the board of directors after summary and suggestions for improvement.	
4.Does the company regularly	√		The company regularly inspects the independence of certified accountants	

assess the independence of visa accountants? ?			every year, checks whether they are directors, shareholders of the company, or pays salaries to the company, and confirms that they are non-interested parties. In addition, certified accountants have direct or interest in entrusted matters and themselves Those who need to evade, the rotation of accountants is also handled in accordance with relevant regulations.	
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Evaluation items	Operating situation (Note 1)			Differences from the Governance Code of Practice for Listed Companies and Reasons
	Yes	No	Summary description	
(IV) Whether the listed company has a qualified and appropriate number of corporate governance personnel, and designates a corporate governance supervisor to be responsible for corporate governance-related affairs (including but not limited to providing directors and supervisors with information needed to perform business, assisting directors and supervisors to comply with laws and regulations, Handle matters related to the meetings of the board of directors and shareholders' meeting according to law, make minutes of the board of directors and shareholders' meetings, etc.)?		√	The company has not yet set up a full-time (part-time) corporate governance unit or personnel. The Company follows the established "Standard Operating Procedures for Handling Directors' Requests".	Consistent with Governance Code of Practice provisions.
(V) Whether the company has established a communication channel with stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.), set up a special area for stakeholders on the company website, and properly responded to important corporate social responsibility issues that stakeholders are concerned about ?	√		The company has a spokesperson system and properly utilizes the public information system, so that shareholders and stakeholders can fully understand the company's financial business status and the implementation of corporate governance, and communicate with banks and other creditors, employees, customers, and suppliers. Unimpeded channels, and respect and safeguard their legitimate rights and interests.	Consistent with Governance Code of Practice provisions.
(VI) Does the company appoint a professional stock affairs agency to handle the affairs of the shareholders meeting?	√		The company appoints a professional stock affairs agency – Gfortune Securities Co., Ltd. to handle the affairs of the shareholders meeting °	Consistent with Governance Code of Practice provisions.
(VII) Information Disclosure 1. Does the company set up a website to disclose financial business and corporate governance information? 2. Does the company adopt other methods of information disclosure (such as setting up an English website, appointing a special person to be responsible for the collection and disclosure of company information, implementing the spokesperson system, placing the company website during the legal person briefing session, etc.)?	√		The company has a Chinese and English website (website http://www.bestec.com.tw/index.php), which discloses information related to financial business and corporate governance. The company has a dedicated unit responsible for the collection of company information, various financial and business information, which has been regularly and irregularly disclosed and reported at the public information observation station in accordance with the regulations, and the spokesperson system has been implemented in accordance with the regulations.	Consistent with Governance Code of Practice provisions.

Evaluation items	Operating situation (Note 1)			Differences from the Governance Code of Practice for Listed Companies and Reasons
	Yes	No	Summary description	
3.Does the company announce and file the annual financial report within two months after the end of the fiscal year, and announce and file the first, second, and third quarter financial reports and the operating conditions of each month before the prescribed deadline?	√		The company announces and submits the annual financial report within two months after the end of the fiscal year, and completes the announcement and submits the first, second and third quarter financial reports and the operating status of each month before the prescribed deadline.	
(VIII)Does the company have other important information that is helpful to understand the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, rights of interested parties, training of directors and supervisors, risk management The implementation of policies and risk measurement standards, the implementation of customer policies, the company's purchase of liability insurance for directors and supervisors, etc.)?	√		1.Employee rights and employee care: Provide various insurance benefits and pensions according to the law to protect the work and life safety of colleagues; clearly stipulate labor safety and health rules, implement the work equality law, provide health, safety and freedom from harassment Working environment and culture; at the end of each year, the performance appraisal of all colleagues in the company is carried out to achieve the overall operation plan and serve as the basis for personnel promotion, employee training and development, and salary payment. 2.Investor relations: Fully disclose information through the public information observation station and the company website, so that investors can understand the company's operating conditions, and communicate with investors through shareholders' meetings and spokespersons. 3.Supplier relationship: The company has established manufacturer evaluation and management operating procedures and related management methods. In addition to requiring close cooperation with suppliers, it also regularly evaluates suppliers to ensure delivery time and quality, and maintain a good relationship with them. the interactive relationship. 4. Rights of interested parties: Interested parties may communicate and make suggestions with the company to safeguard their legitimate rights and interests.	Consistent with Governance Code of Practice provisions.

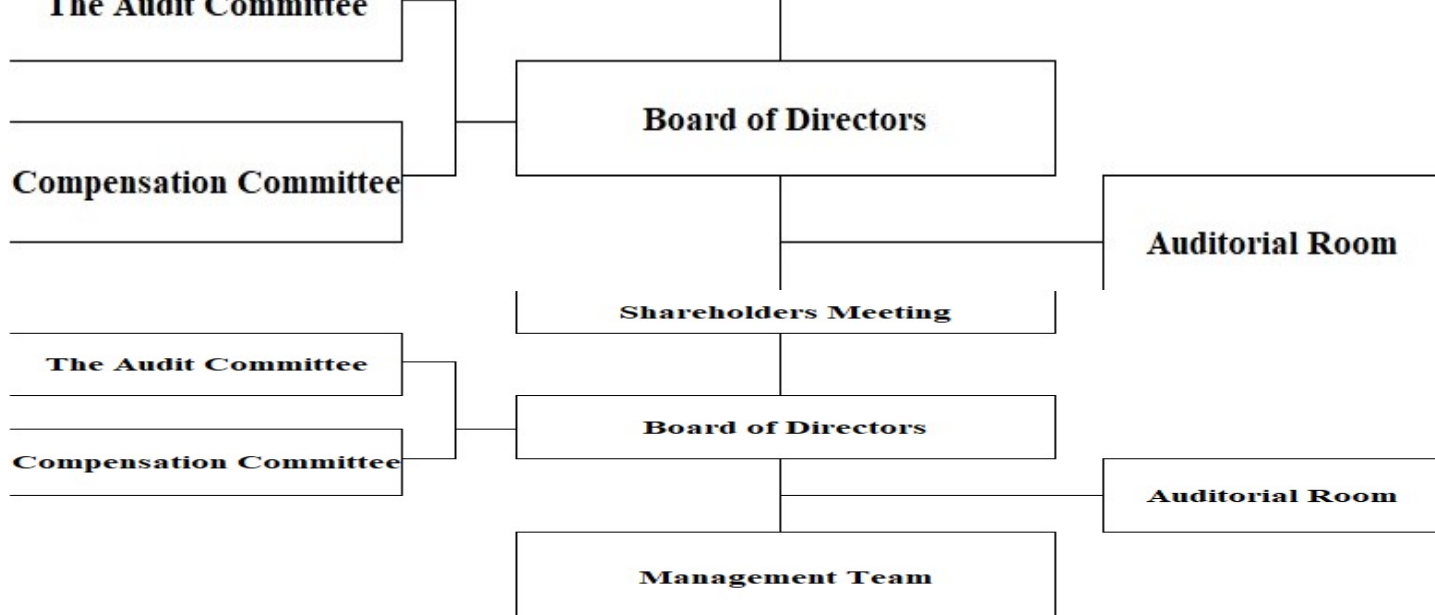
Evaluation items	Operating situation (Note 1)			Differences from the Governance Code of Practice for Listed Companies and Reasons
	Yes	No	Summary description	
			5. Directors' and supervisors' training status: The company requires directors and supervisors to study professional knowledge courses for at least six hours a year in accordance with relevant laws and regulations. Most directors and supervisors have completed relevant professional knowledge courses. For details, please refer to "Public Information Observation" stand". 6. Implementation of risk management policies and risk measurement standards: All are handled in accordance with relevant laws and the company's internal "Procedures for Acquisition or Disposal of Assets". 7. Implementation of customer policy: The company has passed ISO9001 and 14001 certification, has a complete customer complaint handling process, and the interaction and communication with customers has always been good. 8. The company has insured directors and supervisors liability insurance for directors and supervisors.	
(IX) Please explain the improvement of the corporate governance evaluation results issued by the Corporate Governance Center of Taiwan Stock Exchange Corporation in the most recent year, and propose priority strengthening matters and measures for those that have not been improved: Governance Code of Practice continues to handle related matters and measures.				

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

■ Organizational structure of corporate governance

The company takes the "Code of Practice for Corporate Governance of Listed OTC Companies" as the basis for its corporate governance operations. Corporate governance and internal management mechanisms are in compliance with relevant laws and regulations. And implement the transparency of information such as operations and finances and pay attention to shareholders' rights and interests.

The board of directors is the highest governance unit of the company and the major business decision-making center. Its responsibilities include appointing and supervising the company's management, supervising business performance, preventing conflicts of interest, and ensuring that the company follows various laws, regulations of the company's articles of association or resolutions of the shareholders' meeting to exercise its powers. And committed to maximizing shareholders' rights and interests. Strengthen the supervision and management of the company's operations through the board of directors. And set up the audit committee and the remuneration committee to facilitate the board of directors to perform related duties.



■ Implement the implementation of the diversity policy of the board of directors

The company's current board of directors consists of 7 directors, including 3 independent directors. The nomination and selection of members of the board of directors follows the company's articles of association, adopts a candidate nomination system, and abides by the "Director Election Method" and "Corporate Governance Code of Practice" to ensure the diversity and independence of directors.

In addition to the fact that the directors who concurrently serve as company managers should not exceed one-third of the directors' seats, the company should also formulate appropriate diversification policies based on the company's operations, business model and development needs, which should include but not limited to the following two major-oriented standards :

1. Basic conditions and values: gender, age, nationality and culture, etc.
2. Professional knowledge and skills: professional background (such as financial accounting, law, industry knowledge, business management, leadership decision-making), professional skills and industry experience, etc.

According to the company's "Corporate Governance Code of Practice" to strengthen the functional norms of the board of directors, members of the board of directors should generally have the knowledge, skills and accomplishments necessary to perform their duties. In order to achieve the ideal goal of corporate governance, the board of directors as a whole should have the following capabilities :

- I. Operational judgment ability.
- II. Accounting and financial analysis skills.
- III. Management ability.
- IV. Crisis handling ability.
- V. Industrial knowledge.
- VI. The international market outlook.
- VII. Leadership.
- VIII. Decision-making ability.

The current members of the board of directors of the company all have relevant industrial background and management capabilities. However, in order to ensure the sustainable operation of the company, the composition of the board of directors is mainly based on the professionalism and complementarity in various fields, followed by their gender and age; Continue to strive towards the direction of director diversity。
The diversity of board members is as follows:

Item Name	Gender	Management	Leadership decision	Industry knowledge	International market Knowledge	Crisis handling ability	Financial Accounting
Chen Mingzhi	Male	√	√	√	√	√	√
Deng Ruiling	Female	√	√	√	√	√	√
Chen Yiwen	Female	√	√	√	√	√	√
Chen Songzhe	Male	√	√	√	√	√	√
Wang Ruibin	Male	√	√	√	√	√	√
Chen Baihua	Male	√	√	√	√	√	√
Lin Lifen	Female	√	√	√	√	√	√

Status of directors' training

Title	Name	Study date	Training hours	Organizer	Course Title
Chairman	Chen Mingzhi	2024.06.18	6	Bcsd Taiwan	Create a new carbon era publicity conference with sustainable knowledge
Vice Chairman	Deng Ruiling	2024.06.18	6	Bcsd Taiwan	Create a new carbon era publicity conference with sustainable knowledge
Director	Chen Songzhe	2024.08.06	6	Bcsd Taiwan	Create a new carbon era publicity conference with sustainable knowledge
		2024.09.04	3	TCGA	Net Zero Carbon Emission Promotion Conference-Taipei
		2024.10.04	3	SFI	2024 Insider Trading Prevention Promotion Conference
Director	Chen Yiwen	2024.10.04	3	SFI	2024 Insider Trading Prevention Promotion Conference
Independent Director	Wang Ruibin	2024.07.03	6	TWSE	2024 Cathay Sustainable Finance Season Climate Change Summit Forum
		2024.09.20	3	SFI	2024 Insider Trading Prevention Promotion Conference
		2024.11.29	3	SFI	2024 Legal Compliance Briefing Meeting on Insider Equity Transactions
Independent Director	Chen Baihua	2024.11.29	8	NFCPAA	Corporate M&A Strategy-Discussion on Corporate M&A Laws and Practices
		2024.12.12	8	NFCPAA	Preventing Money Laundering, Combating Terrorist Financing, and Expanding International Norms and Domestic Legal Systems
Independent Director	Lin Lifen	2024.1.24	3	TWSA	Introduction to disputes over company management rights and commercial incident trial law
		2024.02.23	3	COSDA	Corporate Governance and Securities Regulation 1. Discuss insider trading prevention from the perspective of internal control 2. Legal regulations and application doubts related to dividend policy

- Assessment of the independence and competence of accountants: refer to Article 47 of the Accountants Law and the Public Accountants' Professional Ethics Bulletin No. 10 "Integrity, Fairness, Objectivity, and Independence".

Item	Evaluate		Description
	Yes	No	
(1) There is no direct or significant indirect financial interest relationship between the certified accountant and the company.	√		
(2) There is no significant and close business relationship between the certified accountant and the company.	√		
(3) The certified accountant has no potential employment relationship when auditing the company.	√		
(4) The certified accountant has no money loan with the company.	√		
(5) Certified accountants have not accepted gifts or gifts of great value from the company, directors, supervisors, and managers of the company (the value of which exceeds the general social etiquette standards).	√		
(6) None of the certified accountants has provided audit services for the company for seven consecutive years.	√		
(7) The certified accountant does not hold shares in the company.	√		
(8) The certified accountant himself, his spouse or dependent relatives, and his audit team have not served as directors, supervisors, managers, or positions that have a significant impact on audit cases during the audit period or in the past two years, and it is also confirmed that they will not be in future audit periods. Hold the above-mentioned relevant positions.	√		
(9) Whether the certified accountant has complied with the Accountants Professional Ethics Bulletin No. 10 on independence, and has obtained the "independence statement" issued by the certified accountant.	√		
◆ Evaluation result: Qiu Zhengjun and Jian Mingyan from Deloitte United Accounting Firm were appointed for the financial statements of this year. After evaluation, the independence and suitability of the two accountants are satisfactory.			

4.The Composition, Responsibilities and Operation of the Remuneration Committee :

(1) Remuneration Committee Member Information

April 30,2024

Term Title (Note 1) Name		Professional qualifications and experience(Note2)	Independent (Note 3)	The number of members of the remuneration committee of other publicly issued companies
Independent director	Wang Ruibin	Have working experience required for business and corporate business. Director and deputy general manager of Qihong Co., Ltd. There are no circumstances under Article 30 of the Company Law.	As an independent director, it meets the requirements of independence. Including, but not limited to, the person, spouse, and relatives within the second degree have not served as directors, supervisors, or employees of the company or its affiliated companies. Neither I nor my spouse, minor children or in the name of others hold more than 1% of the company's total issued shares or are the top ten natural person shareholders. Not serving as a director, supervisor or employee of a company that has a specific relationship with the company. Has not been responsible for the amount of remuneration received for providing business, legal, financial, accounting and other services to the company or its affiliated companies in the last 2 years.	1
Independent director	Chen Baihua	Have working experience in finance and accounting. Accountant of the Republic of China. Director of Dunwei Accounting Firm. There are no circumstances under Article 30 of the Company Law.	As an independent director, it meets the requirements of independence. Including, but not limited to, the person, spouse, and relatives within the second degree have not served as directors, supervisors, or employees of the company or its affiliated companies. Neither I nor my spouse, minor children or in the name of others hold more than 1% of the company's total issued shares or are the top ten natural person shareholders. Not serving as a director, supervisor or employee of a company that has a specific relationship with the company. Has not been responsible for the amount of remuneration received for providing business, legal, financial, accounting and other services to the company or its affiliated companies in the last 2 years.	None
Independent director	Lin Lifan	Have working experience in finance and accounting. Accountant of the Republic of China. Director of Lin Lifan Accounting Firm. There are no circumstances under Article 30 of the Company Law.	As an independent director, it meets the requirements of independence. Including, but not limited to, the person, spouse, and relatives within the second degree have not served as directors, supervisors, or employees of the company or its affiliated companies. Neither I nor my spouse, minor children or in the name of others hold more than 1% of the company's total issued shares or are the top ten natural person shareholders. Not serving as a director, supervisor or employee of a company that has a specific relationship with the company. Has not been responsible for the amount of remuneration received for providing business, legal, financial, accounting and other services to the company or its affiliated companies in the last 2 years.	2

Note1: Please specify in the form the relevant working years, professional qualifications, experience, and independence of each member of the remuneration committee. If you are an independent director, you can make a note to refer to page OO for information on directors and supervisors in Table 1 (1) Relevant content. Please fill in the identity as independent director or other (if it is the convener, please add a note).

Note2: Professional qualifications and experience: State the professional qualifications and experience of individual salary and compensation committee members.

Note3: Independence conditions: Describe the independence conditions of the members of the salary and compensation committee, including but not limited to whether the person, spouse, and relatives within the second degree are the directors, supervisors or employees of the company or its affiliated companies; The number and proportion of shares held by the spouse, relatives within the second degree (or in the name of others) of the company; Directors, supervisors, or employees specified in Subparagraphs 5 to 8 of Item 1 of Article 6); the amount of remuneration received for providing business, legal, financial, and accounting services to the company or its affiliated companies in the last two years.

(2)Information on the operation of the remuneration committee

A.The company's remuneration committee consists of three members.

B.The term of office of the current committee members: Jun 28, 2024 to Jun 27, 2027.

In the most recent year, the Salary and Remuneration Committee held 3 meetings.

The qualifications and attendance of the members are as follows:

Title	Name	Attendance in person(B)	Attendance in proxy	Actual attendance rate (%) (B / A)	Note
Convener	Chen Qiulin	1	0	100	Retired on June 28, 2024
Committee member	Hu Senxiong	1	0	100	Retired on June 28, 2024
Committee member	Jian Junyan	1	0	100	Retired on June 28, 2024
Convener	Wang Ruibin	2	0	100	Newly appointed on June 28, 2024
Committee member	Chen Baihua	2	0	100	Newly appointed on June 28, 2024
Committee member	Lin Lifen	2	0	100	Newly appointed on June 28, 2024

Other records :

(I)If the board of directors does not adopt or revise the suggestion of the salary and compensation committee, it shall state the date, period, content of the proposal, the result of the resolution of the board of directors, and the company's handling of the opinions of the salary and compensation committee: The board of directors of the company has no special opinion on the salary and compensation committee.

Date	Proposal content and follow-up processing	Resolution result	The company's handling of the opinions of the remuneration committee
2024.3.25	Evaluate the performance and salary remuneration of the company's managers and directors in 2024.	Passed without objection	Submit to the company's board of directors for approval
2024.3.25	Evaluate the company's remuneration distribution case for directors, supervisors and employees in 2024 The company's managers' year-end bonus payment principles and amounts.	Passed without objection	Submit to the company's board of directors for approval
2024.11.13	The company's managers' year-end bonus payment principles and payment amounts.	Passed without objection	Submit to the company's board of directors for approval
2024.12.23	Dividend distribution case for the company's employees (including managers).	Passed without objection	Submit to the company's board of directors for approval

(II)For resolutions of the remuneration committee, if members have objections or reservations and there are records or written statements, the date, period, content of the proposal, opinions of all members, and how to deal with the opinions of members should be stated: None.

5.The situation and reasons for promoting the implementation of sustainable development and the differences with the code of practice for sustainable development of listed companies.

Item	Operating situation			Differences and reasons for differences from the code of practice for sustainable development of listed companies
	Yes	No	Summary description	
(I)Has the company established a governance structure to promote sustainable development, and set up a full-time (part-time) unit to promote sustainable development, and the board of directors authorizes the senior management to handle it, and the supervision of the board of directors?		√	The company does not set up full-time or part-time units to promote sustainable development.	The company will formulate sustainable development policies or systems according to actual needs.
(II)Does the company conduct risk assessments on environmental, social and corporate governance issues related to the company's operations in accordance with the principle of materiality, and formulate relevant risk management policies or strategies?	√		The company is engaged in the sale and purchase of power supplies and power converters, which are processed and manufactured by mainland investment companies. Most of the manufacturing process is assembly or testing, and there is no risk of environmental pollution. As a citizen of the earth, the company recognizes the importance of environmental sustainability, so it actively promotes energy conservation and carbon reduction, strengthens employees' awareness of environmental protection and improves the efficiency of resource reuse.	Consistent with the Code of Practice for Sustainable Development of Listed Companies.
(III)Environmental issues 1. Has the company established a suitable environmental management system according to its industrial characteristics?	√		The company has established an ISO14001 environmental management system according to the characteristics of the industry, and has a dedicated unit to maintain the environment.	Consistent with the Code of Practice for Sustainable Development of Listed Companies.
2.Is the company committed to improving the utilization efficiency of various resources and using recycled materials with low impact on the environment?	√		In response to environmental protection, our company will complete the introduction of lead-free process to comply with ROHS control.	
3.Does the company assess the current and future potential risks and opportunities of climate change for the enterprise, and take measures to deal with climate-related issues?	√		The potential risks faced by the company include environmental and operational aspects: such as shortage of resources, increase in cost of raw materials, instability of transportation demand, threat to employee safety due to extreme weather, etc., may cause impact on the company's operations and cause losses; for delay and adaptation Changes caused by climate change can develop new products in the direction of green energy to cope with overall environmental changes.	

Item	Operating situation			Differences and reasons for differences from the code of practice for sustainable development of listed companies
	Yes	No	Summary description	
4. Has the company calculated greenhouse gas emissions, water consumption, and total waste weight in the past two years, and formulated policies for energy conservation and carbon reduction, greenhouse gas reduction, water reduction, or other waste management?	√		The company advertises that the air-conditioning can only be activated when the temperature is higher than 28 degrees Celsius, and that the air-conditioning system in uninhabited areas is moderately turned off, and the promotion of energy saving and resource recovery is not carried out regularly.	
(IV)Social issues				
1. Has the company established relevant management policies and procedures in accordance with relevant laws and international human rights conventions?	√		The company formulates work rules and related personnel management regulations in accordance with labor laws and with reference to international human rights conventions and the belief of respecting the equal rights of men and women, as the basis for company management.	Consistent with the Code of Practice for Sustainable Development of Listed Companies.
2. Does the company formulate and implement reasonable employee welfare measures (including salary, vacation and other benefits, etc.), and properly reflect business performance or results in employee compensation?	√		In order to establish a gender-equal workplace, the company implements a childcare leave without pay system, and at the same time provides family care leave and menstrual leave for colleagues. The company implements performance management through a regular performance appraisal system. It is hoped that through performance management, the company's overall operating goals will be combined with employees' personal work goals, which will serve as the basis for the evaluation and feedback of employees' annual work performance and follow-up employee training and development. The company's articles of association stipulate that if the company makes a profit in the year, no less than 5% of the pre-tax net profit should be appropriated as employee remuneration.	
3. Does the company provide employees with a safe and healthy working environment, and regularly implement safety and health education for employees?	√		The company has a labor safety and health policy and conducts safety and health promotion. The company did not have any fire incidents in 2024. In addition, our company holds fire drills every year.	

Item	Operating situation			Differences and reasons for differences from the code of practice for sustainable development of listed companies
	Yes	No	Summary description	
4. Has the company established an effective career development training plan for employees?	√		The company constructs an education and training system based on the core capabilities required for operations, formulates an annual education plan every year, organizes employee education and training, and cultivates employee capabilities.	
5. Regarding customer health and safety, customer privacy, marketing and labeling of products and services, does the company follow relevant laws and international standards, and formulate relevant consumer protection policies and complaint procedures?	√		The company attaches great importance to the opinions of customers. In addition to proactively visiting existing customers to maintain good relations, it also gives immediate feedback on the suggestions put forward by customers, so as to maintain long-term and good cooperative relations with customers.	
6. Has the company formulated supplier management policies, requiring suppliers to follow relevant norms on issues such as environmental protection, occupational safety and health, or labor rights, and their implementation?	√		The company has established a supply chain with the goal of sustainable development. In order to implement effective supplier management, it has established a supplier management program. Aiming at labor rights, environmental protection, safety and hygiene in the supply chain as risk control points, suppliers are required to follow relevant norms, and fulfill corporate social responsibility.	
(V) Does the company refer to internationally accepted standards or guidelines for preparing reports, and prepare corporate social responsibility reports and other reports that disclose the company's non-financial information? Has the previous disclosure report obtained the confirmation or guarantee opinion of the third-party verification unit?		√	At present, the company has not compiled a corporate social responsibility report.	The company will disclose information related to sustainable development according to actual needs
(VI) If the company has its own sustainable development code based on the "Code of Practice for Sustainable Development of Listed Companies", please describe the difference between its operation and the code: The company has formulated the "Practice for Sustainable Development of Listed Companies" code °				
(VII) Other important information that helps to understand the implementation of sustainable development: Corporate commitment : Through the organizational operation and auditing system of the board of directors, salary and compensation committee, etc., we will improve corporate governance and be fully responsible to important stakeholders; and through the quality control commitment that has been internalized as an important part of corporate culture, we are committed to design, production quality and trust. Continuous innovation in the field of degrees, responsible for customers and the environment. Social care : The society is like the earth that nourishes the enterprise, and it is the cornerstone for the enterprise to take root and thrive. The reason why Liande can have today's operating costs depends on the entire social environment to provide us with endless resources. As a member of the society, we have our due responsibilities and obligations, and we must contribute and give back to the society.				

6. The situation and reasons for the performance of integrity management and the differences with the code of integrity management of listed companies :

Item	Operating situation			The situation and reasons for the differences with the Code of Integrity Management of listed companies
	Yes	No	Summary description	
(I)Formulate integrity management policies and plans				
1. Does the company formulate an integrity management policy approved by the board of directors, and clearly state the integrity management policy and practices in regulations and external documents, as well as the commitment of the board of directors and senior management to actively implement the operation policy?	√		The company has established a code of integrity management, which regulates that the company's directors, managers, employees, employees, or those with substantial control capabilities must uphold the principle of integrity and actively implement the concept of integrity management.	Consistent with the code of conduct for listed companies
2. Whether the company has established an assessment mechanism for the risk of dishonesty, regularly analyzes and evaluates business activities with a relatively high risk of dishonesty within the scope of business, and formulates a plan to prevent dishonesty based on this, and the company will consider the actual needs. Disclosure of information related to corporate social responsibility covers at least the preventive measures for the acts in Item 2 of Article 7 of the "Code of Integrity Management for Listed Companies"?	√		In the Code of Integrity Operations, the company has clearly stipulated preventive measures for the items in Item 2 of Article 7 of the "Code of Integrity Operations for Listed Companies" or other business activities with a high risk of dishonesty in the scope of business, in order to prevent Dishonest behavior.	
3. Does the company clearly define operating procedures, behavior guidelines, punishment and appeal system for violations in the dishonesty prevention plan, and implement it, and regularly review and revise the previous disclosure plan?	√		The company has clearly stipulated the situation of preventing dishonesty in the Code of Integrity Management, and clearly stipulated the relevant operating procedures and behavior guidelines, and implemented them.	

Item	Operating situation			The situation and reasons for the differences with the Code of Integrity Management of listed companies
	Yes	No	Summary description	
(II) Implement integrity management 1. Does the company evaluate the integrity records of its counterparties, and specify the terms of honest behavior in the contracts signed with its counterparties? 2. Does the company set up a full-time (part-time) unit affiliated to the board of directors to promote corporate integrity management, and report to the board of directors on a regular basis (at least once a year) about its integrity management policies, plans for preventing dishonest behavior, and supervision and implementation? 3. Does the company formulate policies to prevent conflicts of interest, provide appropriate reporting channels, and implement them? 4. Whether the company has established an effective accounting system and internal control system for the implementation of integrity management, and the internal audit unit draws up relevant audit plans based on the assessment results of dishonest behavior risks, and checks the compliance with the dishonesty prevention plan based on this, Or entrust an accountant to perform the audit? 5. Does the company hold regular internal and external education and training on integrity management?	√ √ √ √ √	√	The company expects and takes practical actions to assist the counterparties to recognize and jointly abide by the integrity management behavior. Depending on the situation, the contract signed with the transaction partner clearly stipulates the terms of good faith behavior. If dishonest behavior is found during the transaction process, the transaction may be terminated or the contract may be terminated. The company has not yet set up an integrity management unit under the board of directors. In the "Standards of Procedures of the Board of Directors", the company clearly stipulates the avoidance policy of directors' conflicts of interest and also formulates the "Code of Ethics for Practitioners" to help colleagues understand the regulations that should be followed and prevent dishonesty when performing business. In order to ensure the implementation of honest management, the company has established an effective accounting system and internal control system, which are regularly audited by internal auditors. In addition to announcing the relevant norms, the company enables all employees to read them at any time, and explains and emphasizes their importance in newcomer training and manuals.	Consistent with the code of conduct for listed companies
(III) The operation of the company whistleblowing system 1. Does the company formulate a specific whistleblowing and reward system, establish channels to facilitate whistleblowing, and assign appropriate personnel to handle whistleblowers?	√		The company has established regulations to prevent conflicts of interest, publicized them in employee education and training, and provided smooth complaint channels for those who want to report.	Consistent with the code of conduct for listed companies

Item	Operating situation			The situation and reasons for the differences with the Code of Integrity Management of listed companies
	Yes	No	Summary description	
2. Has the company established a standard operating procedure for the investigation of the reported matter, the follow-up measures to be taken after the investigation is completed, and the relevant confidentiality mechanism? 3. Has the company adopted measures to protect the whistleblower from being improperly dealt with due to whistleblowing?	√		The company has established a disciplinary and appeal system in accordance with the integrity management code.	
	√		The company keeps the complaints or reports confidential, and ensures that the whistleblower is protected during the reporting process and will not be punished for reporting.	
(IV) Enhance information disclosure 1. Does the company disclose the content of its integrity management code and promote its effectiveness on its website and public information observation station?		√	The company has not yet disclosed information related to corporate integrity management	The company will review the actual needs and internal resources to further develop the disclosure of information related to integrity management on the website
(V) If the company has established its own code of integrity in accordance with the "Code of Integrity Management for Listed OTC Companies", please describe the differences between its operation and the established code: The company has a code of integrity management, and all colleagues, managers and members of the board of directors of the company must abide by the code and related regulations. There is no difference between the operation of the Company's Integrity Management Code and the content of the specification.				
(VI) Other important information that helps to understand the integrity of the company's operations : (If the company reviews and amends its code of integrity management, etc.) : 1. The "Rules of Procedures of the Board of Directors" clearly stipulate that directors should avoid themselves when their own interests are involved. If it is harmful to the interests of the company, they are not allowed to participate in discussions and votes, and they are not allowed to exercise voting rights on behalf of other directors. The directors of the company all uphold a high degree of self-discipline. If a proposal involves their own interests, they will avoid it in accordance with the principle of avoiding interests. 2. The company has established "internal material information handling procedures" and "management measures to prevent insider trading", which clearly stipulate that the company's directors, managers and employees should be careful and loyal to good managers, and implement the principle of honesty and integrity business, and shall not disclose important internal information to others.				

7. If the company has formulated corporate governance codes and related regulations, it should disclose its inquiry methods : Announcement on the Public Information Observatory for investors to inquire and download relevant regulations on corporate governance.
8. Other important information sufficient to enhance the understanding of the operation of corporate governance may be disclosed together : The company has a spokesperson who can assist investors, suppliers and other stakeholders to inquire about the company's operating status or related issues; in addition, the company regularly announces major information such as the company's financial business on the "public information observation station" according to law.

Bestec Power
Electronics co., L.T.D.
Internal Control System Statement

Date : March 13 ,2025

Based on the results of self-inspection, the internal control system of the company in 2024 is hereby declared as follows:

1. The company is well aware that the establishment, implementation and maintenance of the internal control system is the responsibility of the company's board of directors and managers. The company has established such a system. Its purpose is to provide reasonable support for the achievement of operational effectiveness and efficiency (including profit, performance, and asset security), reliability, timeliness, transparency, and compliance with relevant regulations and relevant laws and regulations. make sure.
2. The internal control system has its inherent limitations. No matter how perfect the design is, an effective internal control system can only provide reasonable assurance for the achievement of the above three objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system Subject to change. However, the company's internal control system has a self-monitoring mechanism. Once a defect is identified, the company will take corrective action.
3. The company judges whether the design and implementation of the internal control system are effective based on the items for judging the effectiveness of the internal control system stipulated in the "Guidelines for the Establishment of Internal Control Systems for Publicly Issued Companies" (hereinafter referred to as "the Guidelines"). The internal control system judgment items adopted in the "Processing Criteria" are based on the process of management control, and the internal control system is divided into five components: A. Control environment, B. Risk assessment, C. Control operations, D. Information and Communication, and E. Supervision. Each constituent element in turn includes several items. For the aforementioned items, please refer to the provisions of the "Handling Guidelines".
4. The company has adopted the above-mentioned internal control system to judge items, and checked the effectiveness of the design and implementation of the internal control system.
5. The company is based on the inspection results of the preceding paragraph. It is believed that the company's internal control system on December 31, 2024 (including the supervision and management of the company), including knowing the effect of operations and the degree of achievement of efficiency goals, the reliability, timeliness, transparency of reports, and compliance with relevant regulations and relevant laws and regulations, the design and implementation of internal control systems, etc. Effective, it can reasonably ensure the achievement of the above objectives.
6. This statement will become the main content of the company's annual report and prospectus, and will be made public. If there are falsehoods, concealment, or other illegal matters in the above-mentioned disclosed content, it will involve legal liabilities under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. This statement was approved by the company's board of directors on March 15, 2024. Among the seven directors present, 0 objected, and the rest agreed with the content of this statement and hereby declare it.

Bestec Power Electronics co., L.T.D.

Chairman: Chen Mingzhi

General Manager: Deng Ruiling

(2). Accountant Project Review Report : N.A.

10.If the company and its internal personnel have been punished according to law in the most recent year and as of the date of publication of the annual report, or the company has punished its internal personnel for violating internal control system regulations, and the punishment result may have a significant impact on shareholders' rights and interests or securities prices, it shall list the Punishment content, main deficiencies and improvement situations : None .

11.Important resolutions of the shareholders' meeting and the board of directors in the most recent year and up to the date of publication of the annual report :

(1)Important Resolutions of the Shareholders' Meeting

Date	Resolutions	Execution situation
Jun 28,2024	(1) Approval of the company's 2024 earnings distribution plan. (2) Approved the company's 2024 business report and financial statements. (3) Adopted the revision of the company's "Processing Procedures for Acquiring or Disposing of Assets". (4) Passed the comprehensive re-election of the company's directors. (5) Lifting of non-competition restrictions on new directors and legal representatives.	Resolution passed . Resolution passed . Resolution passed . Resolution passed . Resolution passed .

(2)Important Resolutions of the Board of Directors

Date	Resolutions
2024.03.15	1. Approved the company's 2023 business report and financial statements. 2. Approved the company's 2023 earnings distribution plan. 3. Approved the company's proposal not to issue dividends in 2023. 4. Passed the company's 2023 "Effectiveness Assessment of Internal Control System" and "Declaration of Internal Control System". 5. Pass the assessment of the independence and competency of the certified accountant and the affiliated accounting firm through the assessment of the financial report. 6. Evaluate the performance and salary remuneration package of the company's managers and directors in 2023. 7. Passed the evaluation of the company's 2023 remuneration distribution plan for directors, supervisors and employees. 8. Adopt the formulation of the company's "Car Allocation Method for Senior Executives". 9. Approved the revision of the company's "Procedures for Acquisition or Disposal of Assets". 10. Pass the comprehensive re-election of directors. 11. Adopt the nomination and resolution of the list of candidates for directors and independent directors. 12. Approved the lifting of non-competition restrictions on new directors and their legal representatives. 13. The company plans to purchase land in Kabukicho, Shinjuku District, Tokyo, Japan. 14. Approved the company's proposed capital increase in its subsidiary Baotai Construction Co., Ltd. 15. The company plans to apply for a short-term credit line from the bank. 16. Approved the company's 2024 operating plan and budget for the Republic of China. 17. Approved the formulation of matters related to the company's 2024 regular shareholders' meeting.
2024.05.15	1. Approved the review report of the company's consolidated financial statements for the first quarter of 2024. 2. Pass the company's proposal to change the list of independent director candidates. 3. The case of lifting the non-competition restrictions of the new directors and their legal representatives through the company. 4. Approved the case of the company's new information security manager. 5. Apply to the bank for financing line renewal through our company. 6. Through the fund loan case of the company's subsidiary Jiude Electronics Co., Ltd. and its subsidiary Dongguan Wanlin Electronics Co., Ltd.

2024.06.21	1. By authorizing the chairman of the company to handle matters related to the purchase of real estate in Toshima District, Tokyo, Japan. 2. Authorize the chairman of the company to handle the establishment of Japanese subsidiaries.
2024.06.28	1. Approve the appointment of chairman and vice chairman of the company. 2. Approved the company's appointment of three independent directors as the audit committee and remuneration committee.
2024.08.12	1. Approved the review report of the company's consolidated financial statements for the second quarter of 2024.
2024.11.13	1. Approved the review report of the company's consolidated financial statements for the third quarter of 2024. 2. Adopt the 2025 audit plan. 3. Approved the principle and amount of year-end bonus payment for the company's managers. 4. Approved the amendment to the company's "Standards of Procedures for Board of Directors". 5. Approved the amendment to the "Organizational Rules of the Audit Committee". 6. Approve the company's preparation and assurance procedures for the sustainability report. 7. Through the subsidiary Wanlin Electronics' capital loan and the subsidiary Jiude Electronics. 8. Approved the renewal of the company's bank loan limit. 9. Approved the company's proposal to add a CEO.
2024.12.23	1. Adopt the remuneration distribution plan for employees (including managers) in 2023. 2. Through the company's case of reducing the amount of endorsement guarantee for its subsidiary Liande Co., Ltd.

12. In the most recent year and as of the date of publication of the annual report, if directors or supervisors have different opinions on important resolutions passed by the board of directors and there are records or written statements, the main contents :
None.

(III) 、 Accountant fee information :

1. If the non-audit public fees paid to the certified accountant, the firm to which the certified accountant belongs, and its affiliates are more than a quarter of the audit fee, the amount of the audit and non-audit fee and the content of the non-audit service shall be disclosed :

Accountant Public Expenses Information Grading Table

Unit : NT\$1,000

Accounting firm	Accountant	Audit period	Audit fee	Non-audit fees	Total
Deloitte & Touche	Qiu Zhengjun Jian Mingyan	Year 2024	3,600	2,154	5,754

Note : Non-audit public service content: consulting service fees and others.

2. If the accounting firm is changed and the audit fee paid in the replacement year is less than the audit fee in the previous year, the amount and reasons for the audit fee before and after the change shall be disclosed: None. °

3. Where the audit public fee has decreased by more than 10% compared with the previous year, the amount, proportion and reasons for the decrease in audit public fee shall be disclosed: None.

- (IV) Change accountant information: None
- (V) The company's chairman, general manager, manager in charge of financial or accounting affairs, who has worked in the firm of the certified accountant or its affiliated enterprises within the last year: None.
- (VI) Changes in equity transfers and equity pledges of directors, supervisors, managers, and shareholders holding more than 10% of the shares in the most recent year and as of the date of publication of the annual report:
1. Changes in equity of directors, supervisors, managers and major shareholders

Unit : share

Title	Name	2024		As of 29 April	
		Number of shares held increased (decreased)	Pledged shares increase (decrease) number	Number of shares held increased (decreased)	Pledged shares increase (decrease) number
Chairman	Chen Mingzhi (Representative of Forfune International CO., LTD.	(1,899,418)	0	0	0
Vice Chairman	Deng Ruiling	(155,005)	0	0	0
Director	Chen Yiwen (Taking office date: 2024.06.28)	(660,521)	0	0	0
Director	Chen Songzhe (Taking office date: 2024.06.28)	(718,204)	0	0	0
General manager	Deng Ruiling	(155,005)	0	0	0
More than 10%	Chen Mingzhi	(813,792)	0	0	0
More than 10%	Forfune International CO., LTD.	(1,899,418)	0	0	0
Independent director	Wang Ruibin (Taking office date: 2024.06.28)	0	0		0
Independent director	Chen Baihua (Taking office date: 2024.06.28)	0	0	0	0
Independent director	Lin Lifan (Taking office date: 2024.06.28)	0	0	0	0
Finance Accounting Department Supervisor	Chen Jingchun (Taking office date: 2023.06.20)	0	0	0	0
Accounting Department Supervisor	Chen Jingchun (Taking office date: 2023.06.20)	0	0	0	0
Director	Chen Xiumei (Dismissal date: 2024/06/28)	(341,224)	0	0	0
Director	Ye Yongcheng (Dismissal date: 2024/06/28)	(54,656)	0	0	0
Independent director	Hu Senxiong (Dismissal date: 2024/06/28)	(3,540)	0	0	0
Independent director	Chen Qiulin (Dismissal date: 2024/06/28)	0	0	0	0
Independent director	Jian Junyan (Dismissal date: 2024/06/28)	0	0	0	0

2. Equity transfer information:

Name	Reason for equity transfer	Transaction date	Counterparty	The relationship between the transaction counterparty and the company, directors, supervisors, managers, and shareholders holding more than 10% of the shares	Number of shares	Trading price
Chen Yiwen	Obtain	2024/08/06	Chen Zhaoru	Three relatives	211, 663	25. 6
Chen Songzhe	Obtain	2024/08/06	Chen Zhaoru	Three relatives	160, 663	25. 6
Chen Songzhe	Obtain	2024/08/06	Huang Shengzhan	Three relatives	51, 000	25. 6
Chen Songzhe	Obtain	2024/03/04	Luo Xiaorong	Three relatives	259, 325	23. 35
Chen Yiwen	Obtain	2024/03/04	Luo Xiaorong	Three relatives	259, 324	23. 35

3. Equity Pledge Information :

In the last two years of the company and as of the publication date of the annual report, none of the directors, supervisors, managers, and shareholders holding more than 10% of the shares has any relatives to the pledge of equity.

(VII) Shareholding ratio of the top ten shareholders who are related to each other or are spouses, relative information within the second degree of relatives

April 30, 2025

Name	Shareholding by shareholder		Shareholdings by spouse and minor children		Shareholdings by nominee arrangement		The name and relationship of the top ten shareholders who are related parties, spouse, or relatives within second degree of kinship to each other:		Note
	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Name	Relationship	
Forfun International CO., LTD.	11,260,490	18.77%	0	0	0	0	Chen Mingzhi	Person in charge	
Chen Yiwen	5,641,629	9.40%	0	0	0	0	Chen Mingzhi Li Huiyu Chen Songzhe	First degree relative First degree relative Second degree relative	
Chen Songzhe	5,983,603	9.97%	0	0	0	0	Chen Mingzhi Li Huiyu Chen Yiwen	First degree relative First degree relative Second degree relative	
Chen Mingzhi	4,824,476	8.04%	0	0	0	0	Forfun International CO., LTD. Li Huiyu Chen Mingyuan Chen Xiumei Chen Yuhua Chen Yiwen Chen Songzhe	Shareholder Spouse Second degree relative Second degree relative Second degree relative Second degree relative First degree relative First degree relative	
Li Huiyu	4,281,979	7.14%	0	0	0	0	Chen Mingzhi Forfun International CO., LTD. Chen Mingyuan Chen Xiumei Chen Yuhua Chen Yiwen Chen Songzhe	Spouse Shareholder Second degree relative Second degree relative Second degree relative Second degree relative First degree relative First degree relative	
Chen Xiumei	2,022,905	3.37%	0	0	0	0	Chen Mingzhi Li Huiyu Chen Mingyuan Chen Yuhua	Second degree relative Second degree relative Second degree relative Second degree relative	
The Bank of Taiwan Co., Ltd. was entrusted by the charitable trust Qifang Education	1,435,531	2.39%	0	0	0	0	-	-	
Deng Ruiling	918,929	1.53%	0	0	0	0	Sun Ruoxuan	First degree relative	

Sun Ruoxuan	740,680	1.23%	0	0	0	0	Deng Ruiling	First degree relative	
Lin Gaohuang	500,000	0.83%	0	0	0	0	-	-	

(VIII) 、The number of shares held by the company, its directors, supervisors, managers, and enterprises directly or indirectly controlled by the company in the same reinvested enterprise shall be combined to calculate the comprehensive shareholding ratio:

Comprehensive shareholding ratio

Unit : share ; %

Invest in business	The company invests		Directors, supervisors, managers and directly or indirectly controlled enterprises investment		Comprehensive investment	
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio
Wan Jih Electronic Limited	50,000	100.00	0	0	50,000	100.00
Ninety-Nine Electronic Limited	1,356,181	100.00	0	0	1,356,181	100.00
Baotai Construction Co., Ltd.	25,000,000	100.00	0	0	25,000,000	100.00
Lianyao Investment Co., Ltd.	11,352,300	100.00	0	0	11,352,300	100.00
Bestec Power International Ltd.	2,000,000	100.00	0	0	2,000,000	100.00
Bestec Electronics(DongGuan) CO., LTD (Note1)	0	100.00	0	0	0	100.00
BESTEC BIOTECHNOLOGY CO., LTD.	2,000,000	100.00	0	0	2,000,000	100.00
Bestec Inv, Inc.	9,250	100.00	0	0	9,250	100.00
Bestec Co., Ltd.	990	100.00	0	0	990	100.00
APX Power Technology, LLC(Note2)	0	0	0	0	0	0

Note 1: It is a subsidiary of Lianyao Investment Co., Ltd.

Note 2: It is a subsidiary of Bestec Inv, Inc.

IV 、Fundraising situation

(I) 、Capital and shares

1. Source of equity

(1) Equity formation

Unit : 1,000shares;NT\$1,000

Date	Issue price (NT\$)	Approved share capital		Paid-in share capital		Note		
		Number of shares	Amount	Number of shares	Amount	Source of equity	Using property other than cash to offset the share capital	Other
1998/09	10	13,600	136,000	13,600	136,000	Cash capital increase 44,000 Turn surplus into capital increase 12,000	None	Letter Jin(087)Shang No.087126162
1999/12	10	16,460	164,600	16,400	164,600	Cash capital increase 15,000 Turn surplus into capital increase 13,600	None	Letter Jin(087)Shang No.088147259
2000/12	10	18,231	182,307	18,231	182,307	Turn surplus into capital increase 17,707	None	Letter Jin(90)Shang No.09001015650
2002/12	10	39,958	399,580	39,958	399,580	Cash capital increase 197,693 Turn surplus into capital increase 19,580	None	Letter Jin-Shou-Shang No.09101521270
2004/09	10	82,000	820,000	50,527	505,275	Turn surplus into capital increase 105,695	None	Letter Jin-Shou-Shang No.09301173950
2005/08	10	82,000	820,000	60,925	609,250	Turn surplus into capital increase 103,975	None	Letter Jin-Shou-Shang No.09401160770
2006/11	10	82,000	820,000	74,193	741,930	Turn surplus into capital increase 125,850 Employee Stock Option Conversion increase 6,830	None	Letter Jin-Shou-Shang No.09501265560
2007/10	10	120,000	1,200,000	74,557	745,570	Employee Stock Option Conversion increase 3,640	None	Letter Jin-Shou-Shang No.09601257870

2008/04	10	120,000	1,200,000	84,498	844,980	Cash capital increase 99,410	None	Letter Jin-Shou-Shang No.09701091040
2008/09	10	120,000	1,200,000	84,593	845,930	Employee Stock Option Conversion increase 950	None	Letter Jin-Shou-Shang No.09701225880
2008/10	10	120,000	1,200,000	90,318	903,179	Turn surplus into capital increase 57,249	None	Letter Jin-Shou-Shang No.09701269500
2009/07	10	120,000	1,200,000	90,371	903,709	Employee Stock Option Conversion increase 530	None	Letter Jin-Shou-Shang No.09801164290
2010/02	10	120,000	1,200,000	91,810	918,096	Employee Stock Option Conversion increase 9,625 Corporate bond conversion increase 4,762	None	Letter Jin-Shou-Shang No.09901034740
2010/06	10	160,000	1,600,000	94,793	947,926	Employee Stock Option Conversion increase 200 Corporate bond conversion increase 29,630	None	Letter Jin-Shou-Shang No.09901114820
2010/09	10	160,000	1,600,000	97,645	976,450	Turn surplus into capital increase 9,120 Capital surplus transferred to common stock increase 18,240 Corporate bond conversion increase 1,164	None	Letter Jin-Shou-Shang No.09901216810
2010/10	10	160,000	1,600,000	98,768	987,682	Corporate bond conversion increase 11,232	None	Letter Jin-Shou-Shang No.09901242300
2011/05	10	160,000	1,600,000	99,950	999,496	Employee Stock Option Conversion increase 7,080 Corporate bond conversion increase 4,735	None	Letter Jin-Shou-Shang No.10001088660
2008/10	10	160,000	1,600,000	98,570	985,696	Cancellation of treasury shares decrease 1,380	None	Letter Jin-Shou-Shang No.10701133010
2021/12	10	160,000	1,600,000	70,491	704,910	Capital reduction to make up for losses decrease 280,786	None	Letter Jin-Shou-Shang No.11001222410
2022/06	10	160,000	1,600,000	70,539	705,390	Employee stock option conversion increase 480	None	Letter Jin-Shou-Shang No.11101090200
2022/09	10	160,000	1,600,000	70,629	706,290	Employee stock option conversion increase 900	None	Letter Jin-Shou-Shang No.11101090200
2022/11	10	160,000	1,600,000	70,684	706,840	Employee stock option conversion increase 550	None	Letter Jin-Shou-Shang No.11101090200
2023/12	10	160,000	1,600,000	70,120	701,207	Capital reduction to make up for losses of 5,632,000	None	Granted Shang Zi Di No. 11230198430

(2) Total Shares and Classification

Apr 29, 2024 ; Unit : 1,000 shares

Type of shares	Approved share capital					Note
	Shares outstanding			Unissued shares	Total	
	Listed	Unlisted	Total			
Common stock	60,000	0	0	100,000	160,000	-

(3) Information about the Bundle Notification System : N.A.

3.List of major shareholders

April 29,2025 Unit : shares

Major shareholder name	Shares	Number of shares held	Share holding ratio
Forfun International Co., LTD.		11,260,490	18.77%
Chen Songzhe		5,512,615	9.97%
Chen Yiwen		5,170,642	9.4%
Chen Mingzhi		4,824,476	8.04%
Li Huiyu		4,281,979	7.14%
Chen Xiumei		2,022,905	3.37%
The Bank of Taiwan Co., Ltd. was entrusted with the charitable trust Qifang Education Fund		1,435,531	2.39%
Deng Ruiling		918,929	1.53%
Sun Ruoxuan		740,680	1.23%
Lin Gaohuang		500,000	0.83%

4.The company's dividend policy and its implementation:

(1) Dividend Policy:

According to the company's articles of association, the net profit obtained after the annual final accounts, in addition to paying taxes and making up for previous years' losses according to law, should be set aside as a statutory surplus reserve. And in accordance with Article 41 of the Securities and Exchange Law, a special surplus reserve was set aside. After adding the undistributed earnings of the previous year to the balance, the board of directors shall draw up a surplus distribution plan and submit it to the shareholders' meeting for resolution. Among them, the employee bonus is 5% to 10%. The remuneration of directors and supervisors is 1% to 3%. For the part of employee bonus mentioned in the preceding paragraph, if it is the target of distribution of stock bonus, the target may include the employees of the company's investment in subsidiaries holding more than 50% of the shares. The conditions and method of distribution are authorized to be decided by the board of directors.

The company will consider the company's environment and growth stage, respond to future capital needs and long-term financial planning, and meet shareholders' needs for cash inflow, and allocate more than 50% of the distributable surplus to distribute shareholder dividends. Among them, cash dividends shall not be less than 30% of the total dividends. However, the type and ratio of such surplus distribution may be adjusted by resolution of the shareholders' meeting depending on the actual profit and capital status of the year.

(2) Situation of the proposed dividend distribution at the shareholders' meeting :
Although the company will have a net profit in 2023, it will be used to fund the construction of the factory in Chiayi, so it does not plan to distribute dividends.

(3) Explanation of expected major changes in dividend policy: N.A.

5.The impact of the gratuitous allotment proposed by the shareholders' meeting this year on the company's operating performance and earnings per share : N.A.

6.Remuneration of employees, directors and supervisors

(1) The ratio or range of remuneration for employees, directors and supervisors as stated in the company's articles of association

A. Employee compensation : Not less than five percent.

B. Remuneration of directors and supervisors : Not more than four percent.

(2) The basis for the estimation of the remuneration of employees, directors and supervisors in the current period, the basis for calculating the number of shares of employee remuneration distributed by stock, and the accounting treatment when the actual distribution amount is different from the estimated amount:. Will be listed as profit and loss in 2024.

(3) The board of directors approved the distribution of remuneration : N.A.

A. The amount of employee remuneration distributed in cash or stock and the remuneration of directors and supervisors. If there is any discrepancy from the estimated amount of recognized expenses in the year, the discrepancy, reason and handling shall be disclosed.

B. The amount of employee remuneration distributed by stock and its proportion to the total after-tax net profit and total employee remuneration in the individual or individual financial report of the current period.

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

7.The situation of the company buying back the company's shares:None.

(II) Issuance of corporate bonds (including overseas corporate bonds):None.

(III) Handling of Special Shares:None.

(IV) Handling of Overseas Depositary Receipts:None.

(V) Handling of employee stock option certificates:None.

1. Issuance situation:None

2. The names, acquisition and subscription status of the managers who have obtained employee stock option certificates and the top ten employees with the number of shares that can be subscribed by the certificates as of the date of publication of the annual report: Not applicable.

3. Restrictions on employee rights in handling new shares: Not applicable.
- (VI) 、 Handling of mergers and acquisitions or transfer of shares of other companies to issue new shares:N.A.
- (VII) 、 Implementation of funds utilization plan : N.A.

V 、Operational Overview

(I) 、Business content:

1. Business Scope

(1) All business main content

R&D, design, manufacturing and sales of switching power supplies, switching DC power supply equipment systems, DC power converters, uninterruptible power supplies (UPS), server power supplies (Server Power) and car chargers, etc.

(2) Operating ratio of main products

Unit : NT\$1,000 ; %

Year	2023		2023	
Major Products	Net turnover	Proportion	Net turnover	Proportion
Power sppply	0	0.00%	0	0.00%
Power converter	538,650	100.00%	65,168	96.15%
Other	0	0.00%	2,606	3.85%
Totoal	538,650	100.00%	67,774	100.00%

(3) The company's current product (service) items: The company's current main products are switching power supplies and power converters.

(4)New products planned to be developed

Future research and development directions	Related products and applications developed in the future
Lens module with night vision function	Monitors and cameras used in self-driving cars
Server power	Server Power
Agent for Power bank and other products	Personal use
Pet water related	Home use
Hotel management	N.A.

The new products that our company plans to develop or represent in the future include night vision lenses, power banks, and pet water. For power banks, our company plans to purchase from other manufacturers and then sell them. We are currently discussing the night vision lenses with potential partners. After the research and development is successful and the appropriate customer base is found, we plan to produce them in the future Chiayi Machou factory. For pet water, we plan to find distributors or agents to help with sales. If the sales results are good, we plan to purchase machines and equipment for production. In addition, our company also plans to operate the hotel industry in Japan. We have purchased commercial real estate in Japan. There are still tenants in the real estate. When the lease expires in the future and the tenants move out, we will change to operate a hotel.

2.Industry Overview

(1) Current status and development of the industry

The working principle of the current night vision lens module is that the weak light reflected by the object is focused by an optical lens and imaged on the front

receiver of the photomultiplier tube. After the front receiver converts the light signal into an electronic signal, it is amplified thousands of times by the photomultiplier tube (optical amplifier tube), and then converted into an image by the fluorescent screen at the rear end. Currently, the lenses used in monitors and self-driving cars do not have real night vision functions. Current lenses must be equipped with infrared small lights to have night vision functions. The company plans to develop lens modules with true night vision capabilities.

Power banks are used to charge mobile phones and other mobile devices. As manufacturers of portable electronics design and manufacture, in order to win the favor of consumers, manufacturers are integrating more and more functions into portable devices. As a result, the power consumption of portable devices is increasing day by day. The demand for power banks has also increased significantly. The current market competition is fierce. In order to increase the sales of their own power bank brands, manufacturers have gradually developed features such as large capacity, thinness and compactness.

(2) The relationship between the upper, middle and lower reaches of the industry

A. Relevance of upstream materials to the industry:

The main upstream materials of power supplies can be roughly divided into active components (including control ICs, power semiconductors, etc.), passive components, magnetic components (including transformers, inductors, filters, etc.), and structural components (including fans, heat sinks, printed circuit boards, chassis, input and output terminals, wire groups, etc.). Most of the key parts (such as transformers, filters, etc.) can be supplied by domestic suppliers or produced by themselves, but some high-value-added components (such as controls) ICs, power semiconductors, high-end capacitors, etc.) still mainly rely on imports from foreign manufacturers.

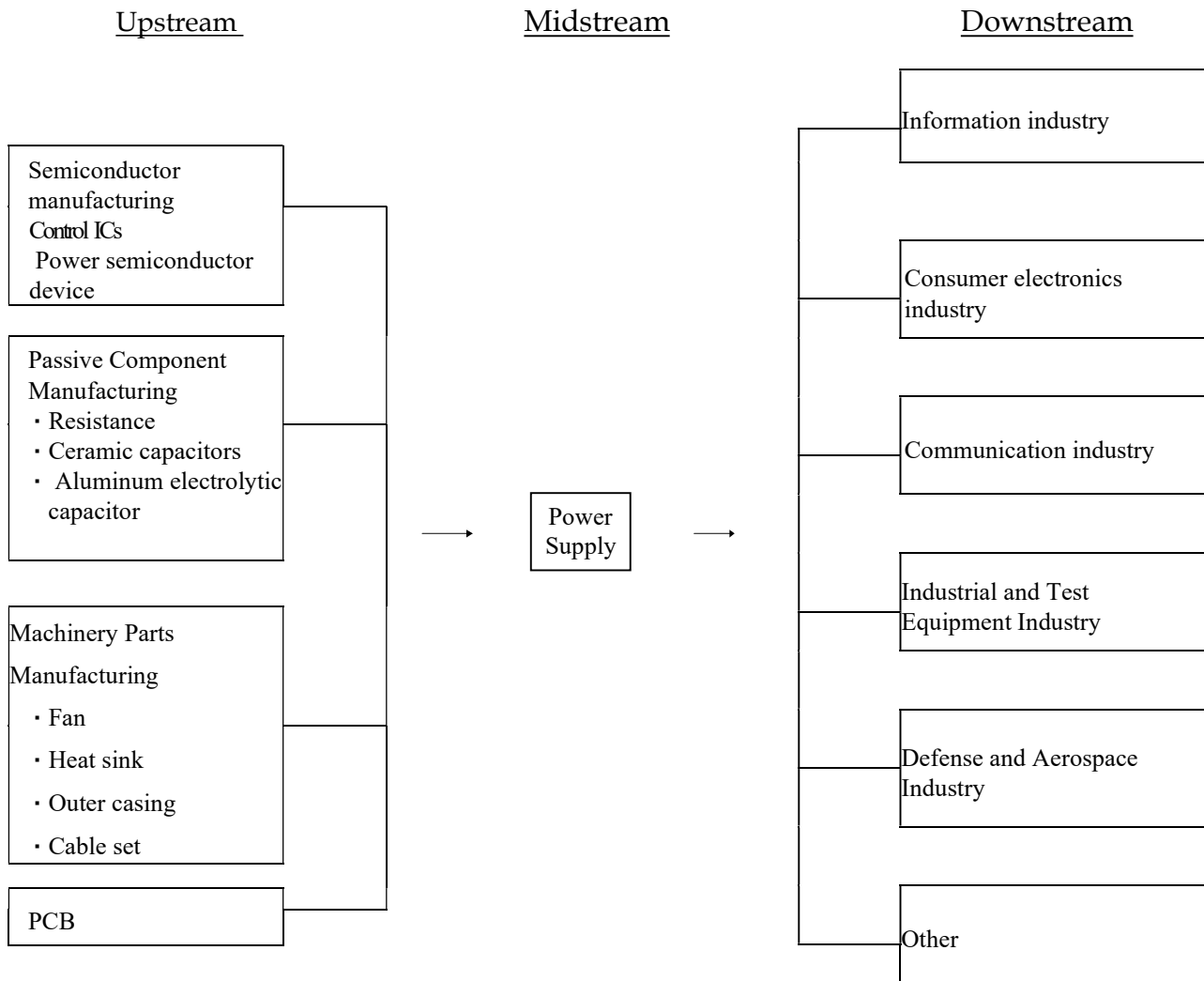
The main upstream materials of the lens include active components, passive components, lenses and mechanical components. The supply situation of upstream materials is similar to that of power supplies. Most of them can be supplied by domestic suppliers or produced by themselves.

The main upstream materials of the lens include active components, passive components, lenses and mechanical components. The supply situation of upstream materials is similar to that of power supplies. Most of them can be supplied by domestic suppliers or produced by themselves.

B. Relevance between downstream application products and the industry:

Power supplies and power converters are indispensable main components for electronic products. The main downstream end products include communication industry, consumer electronics industry, information industry, national defense/aerospace, industrial and testing equipment, etc. Taiwan is currently a large-scale manufacturer, and its main products are still concentrated in information power supplies. Taiwan is the world's largest manufacturer of computer power supplies. In recent years, due to the booming development of personal communications and network transmission, communication power supplies have gradually become the development trend of this industry.

The power bank itself is a consumer product. Once manufactured, it can be purchased by consumers through appropriate marketing channels. The main application of power banks is to charge mobile phones and other handheld devices.



(3) Various development trends of products

The end applications of switching power supplies are quite wide. They are used in PCs, NBs, mobile phones, servers, base stations, medical and industrial power supply data centers. At present, the power supply industry has become mature. The annual output value growth rate is only single digits. Among them, there are many manufacturers of products for PC, NB, mobile phones, tablets and other applications, and the added value of the products is low. In response to the development of game software, PC, NB, mobile phone and other products require increasing power supply wattage. And more and more attention is paid to conversion efficiency. Power supplies used in applications such as servers and data centers have higher technical requirements and higher added value.

According to Global Information, the size of the power bank market in 2025 is estimated to be US\$14.73 billion. The main driving force for the growth of power banks is the popularity of smartphones and the increase in the penetration rate of other mobile devices. As smartphones have more and more functions, the processing speed of the central processing unit of the current smartphone and the number of transistors are also increasing. Other mobile devices also have the same trend, so they consume more and more power, driving the demand for mobile power supplies to increase.

Due to the impact of aging and declining birthrates, many families are raising pets, driving the growth of the pet-related market. Currently, the size of Taiwan's pet economy market exceeds NT\$40 billion a year. In 2018, the number of registered cats and dogs in Taiwan exceeded that of newborn babies for the first time, and in 2022, the number of registered cats reached 2.22 million.

(4) Competitive situation

Taiwan's switching power supply industry is the largest in the world, and its technical capabilities are also globally competitive. Its production and sales system is spread all over the world, but most of the power supply industry is limited to network peripheral products, with short product life cycles and limited profit margins. Therefore, it has been developing towards exclusive power supplies for high-end network power supplies, medical and communication equipment, etc. According to IHS research data, the scale of the power supply industry is mainly based on the consumer electronics field. For the required R&D resources, such as plant planning, process technology, business organization, and process operation, it does not require good production and manufacturing experience, factory management capabilities, and excellent talents like the information industry. At the same time, due to long-term investment in the mainland market and the construction of mainland manufacturing experience, Taiwan's power supply industry advantages have gradually been replaced by low-wage countries on the mainland. Therefore, in addition to developing higher-end products and patented technologies, brand image, intellectual property, technological innovation, and competitive barriers should be strengthened to maintain Taiwan's international advantages.

According to Data Bridge, the leading manufacturers of mobile power supplies include Xiaomi, Lenovo, Panasonic, Sony, ADATA and Asus. The industry is highly competitive, and various manufacturers have launched different types of mobile power supplies for consumers to choose from. Currently, suppliers are mainly developing faster charging speeds, thin and stylish appearances, and larger charging capacities.

In addition, in terms of pet health water, the main function is to reduce the odor of pet urine and feces, and has the function of protecting pet liver and kidneys. There are currently few products in this area on the market. Although there is not much competition, consumers' willingness to buy this product still depends on how much the owner values their pets.

3. Technology and R&D Overview

(1) The technical level of the business

The company is a professional designer and manufacturer of switching power supplies. It has been committed to the research and development of power electronic products, technology and processes for many years. Since the industry is already a mature product, the company has always been committed to the improvement of technology. Up to now, most of its technology sources are self-designed and developed. Therefore, there are no external technology sources or payment of royalties to obtain technology, so there is no technical cooperation contract signed with others. Car charging piles, motorcycle charging guns and mobile power supplies are also

power supply related products. With the company's years of experience in R&D and manufacturing of power supplies, if we want to break into this industry, we should be able to effectively shorten the time to enter this industry.

(2)R&D

In addition, mobile phone screens are gradually becoming larger, which will gradually increase the power consumption of mobile phones, and the demand for Power Bank will also increase. The company will enter into research and development in this area according to the situation in the future.

As for the power supply products required for other traditional computers, business computers, network communications and other products, the company will also maintain contact with previous customers. If customers have needs, the company will regroup talents and resources in this area for development.

(3) Research and development personnel and their academic experience

		End of 2023		End of March 2024	
Number of people	%	Number of people	%	Number of people	%
Academic qualifications	PhD	0	0.00	0	0.00
	Master	1	7.1	1	7.1
	Junior college	11	78.6	11	78.6
	Below High school and vocational	2	14.3	2	14.3
	Total	14	100	14	100
Average seniority (year)		11.07		11.32	

(4) R&D expenses invested in the last five years

Unit : NT\$1,000 ; %

Item \ Year	2020	2021	2022	2023	2024
R & D costs (A)	8,497	13,013	6,395	15,207	5,337
Net sales income (B)	329,881	347,110	407,370	538,650	67,774
(A)/(B)	2.58	3.44	1.57	2.82%	7.87%

(5) Successfully developed technologies or products in the most recent year and as of the publication date of the annual report :

1. BG350 UPS uninterruptible power system 350VA/255W 120V 60Hz square wave
 2. SS1500 UPS Line Interactive Uninterruptible Power System 1500VA 900W 120V 60Hz Square Wave
 3. 21W High Efficiency and Low Standby Power Printer Power Supply
 4. 20W Tablet PC Power Supply
 5. 12W Router Power Supply
 6. PD30W voltage automatic switching small notebook power supply
 7. ATX3.0 PC POWER 650W Gold
 8. ATX3.0 PC POWER 750W Gold
 9. ATX3.0 PC POWER 850W Gold
 10. ATX3.0 PC POWER 1000W Gold
- Industrial power supply OPEN FRAME 20W 5V / 4A , 30W 5V / 6A , 30W 12V / 2.5A , 40W 12V / 3.3A .

4. Long-term and short-term business development plan
- (1) short term plan
- A. marketing strategy
- a. Actively participate in domestic and foreign commercial exhibitions and expand sales reach.
 - b. In response to the development trend of the global electronics industry, establish a project development department and improve the quality of personnel, striving to deepen the market of relevant applications for major customers.
- B. Research and Development Strategy
- a. Recruit appropriate R&D talents and expand related markets for server power supplies.
 - b. Combine the future development trends of information and communication electronics products and customer needs to develop and design products that are in line with international trends and competitive trends.
 - c. Continue to be committed to international quality certification of various products to enhance competitiveness in the international market.
- C. Production strategy
- a. If new product development is successful in the future, we plan to set up factories in areas with lower labor costs.
 - b. Continue to increase the automated production ratio, improve production efficiency, strengthen product quality, and reduce the pressure of rising labor costs.
- D. Financial strategy
- a. Avoid exchange risks through flexible financial scheduling and the use of purchases and sales to generate foreign currency receipts and payments to offset each other to produce a natural hedging effect.
 - b. Make the best use of everything and effectively activate the company's assets to maximize their benefits.
 - c. Strengthen the control of accounts receivable, improve the turnover rate of various assets, and effectively control the compilation and execution of budgets.
- E. Management strategy
- a. Promote the information operation platform to provide various operating systems and security management mechanisms to ensure the continuous normal operation of the system and data security.
 - b. Strengthen employee education and training, improve management performance, and strengthen internal organization.

(2) Long term plan

A.Marketing strategy

- a. Switch to selling other products such as pet water and develop sales channels for other products.
- b. If we can successfully develop server power supply related products, we will actively strive for orders from international manufacturers.
- c. Effectively grasp market development trends and improve customer service efficiency, continue to deepen customer relationships, and provide customers with the most immediate service.

B.Research and Development Strategy

- a.Strengthen the function and efficiency of the R&D department, and continuously recruit high-level technical and R&D personnel to continuously improve technical capabilities.
- b.Actively recruit and cultivate professional and technical personnel, continue to develop products that meet customer needs, and cater to market development trends.

C.Production strategy

- a. Strengthen communication with upstream and downstream industries to ensure stable sources of key raw materials and grasp new trends.
- b. Actively develop low-cost alternative materials to improve price competitiveness.
- c. Introduce automation equipment and expand production capacity to meet customer quality and delivery needs.

D.Financial strategy

Continue to uphold a stable financial operation method, according to the long-term business development plan, and through the diversified financial management tools of the capital market, raise the funds required for operations, reduce capital costs, and strengthen the financial structure.

E.Management strategy

Actively cultivate international talents, strengthen the international outlook of employees, and hope to rank among the ranks of international enterprises.

(II) 、Market and production and sales overview

1.Market analysis

(1) Sales area of main products

The company's main products are power converters and switching power supplies, which are mainly exported to Asia.

Unit : NT\$1,000

Year Area		2024		2023	
		Sales Amount	%	Sales Amount	%
Export	Asia	67,774	100.00	538,650	100.00
	America	0	0.00	0	0.00
	Europe	0	0.00	0	0.00
Domestic sales		0	0.00	0	0.00
Total		67,774	100.00	538,650	100.00

(2). Increase market share

The company is mainly engaged in the R&D, design, manufacturing and sales of Switching Power Supply (SPS). According to the application of terminal products, the company can be divided into two main product lines of power supply and power converter. Power supply is mainly used in personal desktop computers

(Desktops; DT) products; power converters are mainly used in printers, communications, home appliances, industrial products and other products. There is still room for growth. In addition to continuing to develop higher-end power supplies and power converters to increase market share, the company will also continue to devote itself to wider product applications, disperse market expansion in different regions, and actively disperse the share of major customers. Ratio, to expand revenue.

(3). Future market supply and demand, growth, and competitive niches

A. Demand status and growth

The main function of the power supply is voltage and current conversion processing. It is an essential power supply device for various electronic information products. A stable power supply is an important key to the normal operation of electronic products, and it also greatly affects the service life of the product. Therefore, it is accompanied by downstream Application-side electronic products are being introduced with new ones, and their industrial importance will not fade due to the maturity of technology, and the market demand has shown steady growth.

B. Supply situation

The development of power supply technology has been quite mature so far, and it is a mature industry. Under the highly competitive global market, my country's electronic information industry has established a fairly complete industrial structure, and has excellent design, flexible manufacturing, and global marketing and management capabilities. It has also developed into an industry with complete upstream, midstream and downstream related support. The overall Looking at it, other power supply producing countries are still unable to compete with Taiwan. In addition, in view of the increasing land and labor costs in China, the electronic component industry such as power supplies has begun to move the industry outside and automate production in order to reduce costs and increase production capacity. Domestic power supply manufacturers seek technological breakthroughs to produce high-value-added products. Therefore, in terms of technology introduction, in addition to technical cooperation with foreign manufacturers, they also actively strengthen training of outstanding talents to improve their product quality and technology. level.

In addition, the global SPS industry has been supported by the needs of downstream application industries such as information and communication appliances over the years. There are more than 1,000 industrial manufacturers investing in it. So far, there are more than 1,000 industrial manufacturers, but each has a small global market share. The main manufacturers include Emerson, Tyco, Delta, Invensys/Lambda, Artesyn, Astec, etc.

(4) Competitive niche

A. Rich power supply R&D and manufacturing experience

Our company has been engaged in the R&D and manufacturing of power supplies and power adapters for more than 20 years and has rich relevant experience. We believe that if we want to enter the fields related to server power supplies and night vision device lenses in the future, we will be able to effectively shorten the entry time.

B. Have professional electromagnetic compatibility, safety testing talents and laboratories

Due to the improvement of safety demands and the rising awareness of environmental protection, electromagnetic compatibility and safety certification have become necessary tests for all electronic and information products sold in various countries. Therefore, passing product certification is an essential requirement for business growth. The safety testing center and the indoor standard 3M EMC laboratory are conducted by experienced engineers who are familiar with laws and regulations during product development, shortening the time, frequency and cost of testing product delivery, so as to grasp market opportunities and expand business.

(5) Favorable and unfavorable factors and countermeasures for development prospects

A. Favorable factors :

a. Has extensive experience in power supply design and manufacturing.

The quality of the power supply related products manufactured by our company has been well recognized by the industry. We believe that if we enter into other power supply related fields to engage in manufacturing or research and development, it will effectively shorten the entry time and reduce unnecessary losses.

b. Strong cost control ability

Due to the impact of low-cost computers, the profits of power supply manufacturers are relatively reduced. Under this trend, the company not only moves its production base to the mainland, but also reduces the unit production cost through the local low labor and land costs. Suppliers maintain a good relationship, obtain preferential prices from upstream component suppliers, and achieve just-in-time supply services (JIT) to reduce inventory and capital backlog risks. The production process also continues to introduce automated equipment to ensure product quality, reduce labor costs and reduce production costs.

B. Unfavorable factors and countermeasures:

a. Price competition among firms in the same industry

At present, the power supply industry is in the mature stage of the product life cycle. The barriers to market entry are low, the number of manufacturers is large, the price competition is fierce, and the pressure on product prices is increasing. This has led to a trend of lower prices for electronic products, reducing the profit margins of manufacturers.

Countermeasures :

In terms of marketing, expand overseas sales bases, quickly grasp customer needs and market development trends, and serve customers nearby to strengthen the company's competitiveness; in terms of technology and cost control, actively move towards high-frequency, high-growth areas and high-profit exchanges. The development of technology related to power supply products. Committed to reducing costs, improving R&D capabilities and expanding market share to increase barriers to entrants.

b. Labor shortage, rising wages, resulting in higher production costs

With Taiwan's economic growth increasing national income, changes in industrial structure, and rising labor awareness, labor costs have increased year by year, resulting in a relative increase in production costs.

Countermeasures :

As domestic labor costs are gradually increasing, affecting the competitiveness of products, in order to respond to this change in the environment, future factories will be selected for production in areas with low-cost labor, making full use of local low-cost manpower to reduce labor costs and increase the competitiveness of products.

c. Safety regulations around the world are becoming increasingly stringent

With the rise of environmental protection awareness, the safety requirements of electronic products in various countries tend to be stricter to meet environmental protection requirements and protect consumer safety.

Countermeasures :

The company is active in product certification and the design of the power supply complies with UL, CE, CSA, FCC, TUV and other world safety standards, and also meets the electromagnetic interference requirements of CE, FCC, CLASS B and CISPR CLASS. Standard professional power supply manufacturer.

d. The product life cycle is gradually shortened

With the introduction of new products and changing functions of downstream electronic application products, the company's products must be appropriately updated in line with the development trend of downstream products, and the product life cycle is gradually shortening.

Countermeasures :

a. In various business activities, we are actively looking for potential partners, and through strategic cooperation in orders and research and development, we create space for the development of niche products.

b. Integrate various standardizations on the design structure of various models in order to reduce the impact of product life cycle shortening.

c. Strengthen the training and seminars of personnel in various departments to improve the efficiency and maturity of personnel in handling product affairs, in order to respond to various customer needs.

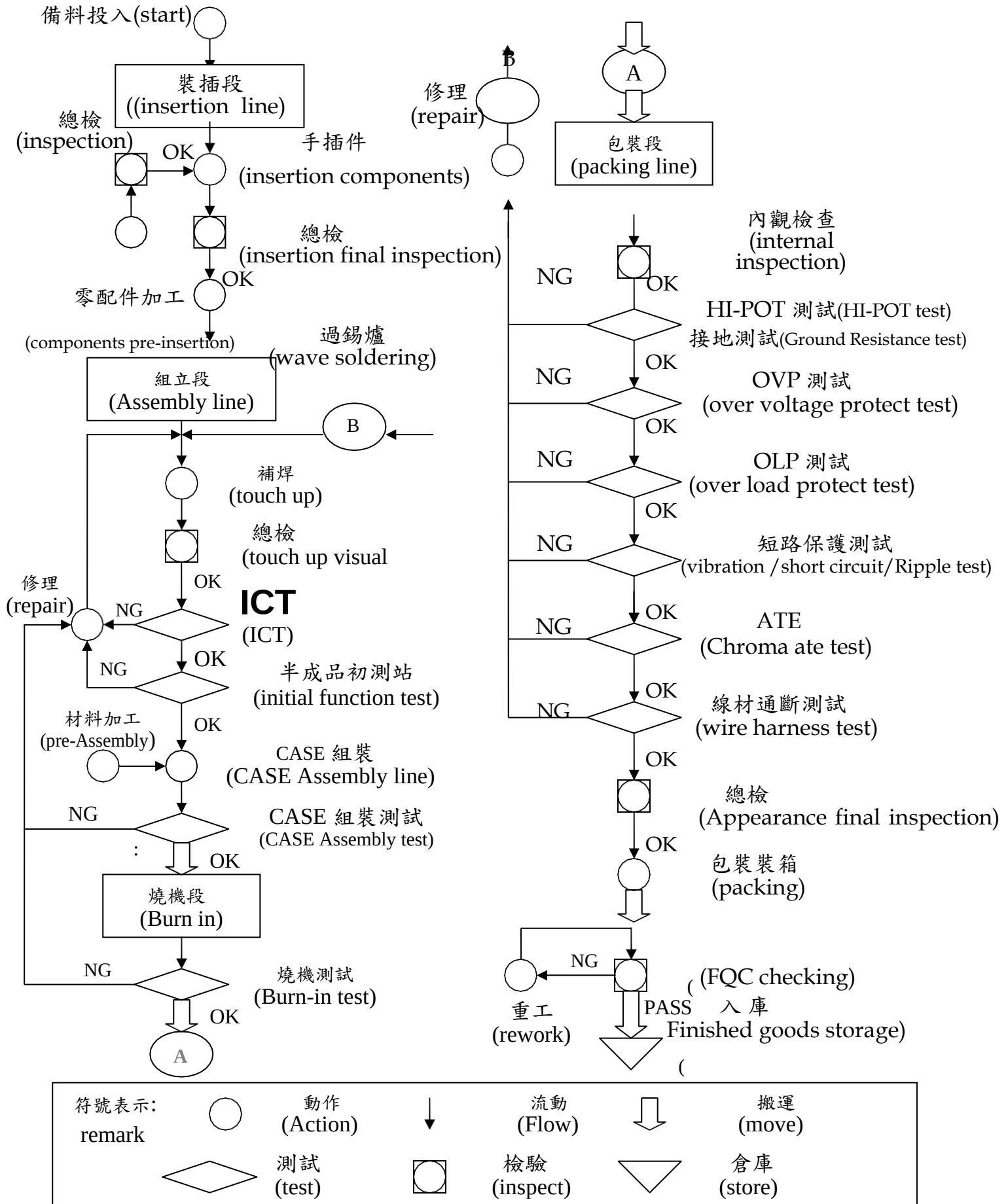
d. Actively invest in and develop new products: In response to the booming global Internet, Internet of Things, e-sports, cloud servers, and artificial intelligence industries, Liande will continue to invest and expand in related product technologies and applications.

2. Important uses and production process of main products

(1) Important uses of main products

Item	Main Function	Application
Power converter	It is used in various electronic products to convert external power supply into proper voltage and stable power supply.	The scope of application is mainly consumer electronics for people's livelihood, such as radios, televisions, and communication equipment wait.
Switching Power Supply		Application scope and various information, communication products, industrial control systems and automatic test equipment, such as network, communication, uninterruptible power system, scanning machine, etc.

(2) The production process of the main product power supply



3. Supply status of main raw materials

Main ingredient	Main supplier	Availability
Shell	Maobo, Songdian	Stablize
PCB	Qin Peng	Stablize
Capacitance	Fengbin, Aihua	Stablize
Semiconductor	Youwan, Quanbao, Julu, Hanshuo	Stablize
Fan	Yue Lun	Stablize
Transformer	Huiye, Guangtan	Stablize

4. List of main import and export customers

- (1) The name of the customer who accounted for more than 10% of the total purchase amount in any of the last two years, the purchase amount and proportion, and the reason for the increase or decrease

Unit: 1,000

Year Ranking	2023				2024				First quarter of 2025			
	Name	Amount	Proportion of net purchases in the whole year	Relationship with Issuer	Name	Amount	Proportion of net purchases in the whole year	Relationship with Issuer	Name	Amount	Proportion of net purchases in the whole year	Relationship with Issuer
1	Bestec Power Electronics(Dong Guan) CO., LTD	428,389	100.00%	A 100% owned subsidiary of the company	Bestec Electronics(DongGuan) CO., LTD	51,371	100.00%	A 100% owned subsidiary of the company	Bestec Electronics(DongGuan) CO., LTD	0	0	A 100% owned subsidiary of the company

Explanation of increase and decrease changes:

The company's customers have suspended shipments since the second half of 2024, so the total purchase amount has decreased as revenue has decreased.

- (2) The name of the customer who accounted for more than 10% of the total sales in any of the last two years, the sales amount and proportion, and the reason for the increase or decrease

Unit : NT\$1,000 ; %

Year Item	2023				2024				First quarter of 2025			
	Name	Amount	Ratio of annual net sales (%)	Relationship with Issuer	Name	Amount	Ratio of annual net sales (%)	Relationship with Issuer	Name	Amount	Ratio of annual net sales (%)	Relationship with Issuer
1	A Company	439,431	81.58%	Non-related	A Company	37,356	55.12%	Non-related	A Company	-	-	-
2	B Company	91,254	16.94%	Non-related	B Company	25,585	37.75%	Non-related	B Company	-	-	-

Explanation of increase and decrease changes:

Because customers have suspended shipments, revenue in 2024 will drop sharply compared with 2023.

(III) Number of employed employees, average length of service, average age and educational background distribution ratio for the most recent two years and as of the publication date of the annual report.

Year		2023	2024	For the year ended March 31
Number of employees	Operator	68	-	-
	Management and business personnel	30	10	9
	R & D personnel	5	2	2
	Total	103	12	11
Average age		35.9	47	48.5
Average years of service		3.8	13.59	14.73
Educational Distribution Ratio	Phd	0	0	0
	Master	1	1	2
	College or above	31	10	9
	High school	8	1	1
	Below high school	63	0	0

(IV) Environmental Expenditure Information

In the most recent year and up to the publication date of the annual report, the losses suffered due to environmental pollution (including compensation and environmental protection audit results in violation of environmental protection laws and regulations, the date of punishment, the name of the punishment, the violation of laws and regulations, the content of violations of laws and regulations, and the content of punishment should be listed), And disclose the estimated amount and response measures that may occur at present and in the future. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be explained:None.

(V) Labor Relations Information

1. Current important Labor agreements and their implementation

(1) Employee benefits

A. Employee dividends

In order to enable all employees to work together to create a better future, the

company allocates 10% to 15% of the cash capital increase to employees for subscription in accordance with the company law. In addition to appropriating the statutory reserve according to law, 5% to 10% of the dividends are allocated from the surplus, and distributed to all employees in cash or stock.

B. Overview of the Welfare Committee

In December 1991, the company established an employee welfare committee with the approval of the Labor Bureau of the Taipei County Government, and allocated welfare funds on a regular basis. There are subsidies for employees' birthdays, weddings, funerals, and hospitalization due to work-related injuries.

(2) Staff training and training

The company has spared no effort in the cultivation of talents, and put forward annual education and training needs and plans for the year, providing colleagues with complete training and further education channels.

(3) Retirement System and Its Implementation

In accordance with Article 2 of the Ministry of the Interior's Labor Retirement Reserve Fund Appropriation and Management Measures, the company allocates 6% of the total salary as a retirement fund, and submits it to the Labor Retirement Fund Supervision Committee for management, and deposits it in the central bank in the name of the committee. trust bureau.

A summary of the retirement scheme is as follows :

A. Conditions for the application of this regulation

All full-time employees are eligible for this pension policy from the date of official employment.

B. Retirement conditions

a. Retire

(a) Those who have served for more than 25 years.

(b) Those who have served for more than 15 years and have reached the age of 55 .

b. Compulsory retirement

(a) Those who have reached the age of sixty.

(b) Lost in mind or physically disabled and unfit to work.

The company has cooperated with the implementation of the Labor Pension Regulations (hereinafter referred to as "the new regulation") since July 1, 2004. If the employees who originally applied the regulations have chosen to apply for the length of service after the new regulation or have started working after the implementation of the new regulation The employee's service years are changed to a definite allocation system, and the pension payment is paid by the company on a monthly basis at no less than 6% of the monthly salary, which is stored in the individual labor pension account.

(4) Labor agreement situation

The company adopts an open two-way communication method to promote all policies and understand employees' opinions, so as to maintain harmonious labor-management relations. So far, no major labor-management disputes have occurred.

(5) Employee Rights Protection Measures

Talent is always an important key to the success and sustainable operation of an enterprise. The company has always taken providing good working conditions and working environment as an important goal, hoping to enable employees to do their best and develop their strengths, and to become an important partner for the company's stable growth under the balanced development of work and life quality.

(6). Work environment and employee personal safety protection measures

The company complies with the Occupational Safety and Health Law and its enforcement rules, the Occupational Safety and Health Facilities Regulations, the Labor Inspection Law and its enforcement rules, the dangerous workplace review and inspection method, the key points of strengthening occupational safety and health management operations, the Labor Standards Law and its enforcement rules , Safety and sanitation facilities standards and other relevant regulations are strictly implemented, so as to achieve the purpose of continuous improvement.

In addition, when new employees are hired, pre-employment labor safety and health education and training are provided, and fire prevention lectures and drills are regularly implemented. The company has always been aiming at "zero disasters". For the occupational disaster handling mechanism of accidents and traffic accidents, it is necessary to implement notification, complete investigation and improvement, so as to avoid the recurrence of the same hazards.

2. In the most recent year and as of the date of publication of the annual report, the losses suffered due to labor disputes, and the estimated amount and countermeasures that may occur at present and in the future shall be disclosed. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be explained:None.

(VI) Information Security Management

1. Describe the information security risk management framework, information security policies, specific **management plans, and resources invested in information security management, etc.:**

(1) Information Communication Security Risk Management Framework

The general manager of the company serves as the highest authority in charge of the information security unit, and the information department controls the company's information security-related affairs. The audit unit conducts internal and external audits on a regular basis every year. In the future, it will decide to establish an information security unit based on operational needs and legal regulations. .

(2) Information Security Policy

In order to cooperate with the company's business philosophy, the company's information security policy statement is formulated as: "Information security and confidentiality are indispensable, access control control must be implemented, information security incidents must be reported, and operational goals must be achieved." Ensure that information assets are properly protected to prevent damage to information assets caused by information security incidents. Comply with relevant government information security policies, regulations and relevant legal requirements. Ensure the continuous operation of the information business and the sustainable operation of the enterprise. The promotion of the information security system strengthens the quality of information services and improves customer satisfaction. All information security incidents or suspicious security weaknesses should be immediately reported in accordance with the procedures, and properly investigated and dealt with. This policy should be regularly evaluated and reviewed every year to reflect government laws, technology development and business needs, etc., in order to implement information security operations, and Information security education and training should be implemented regularly to strengthen information security policy advocacy. All units and personnel who violate this policy, or have any other behaviors that endanger the company's information security, will resort to appropriate disposal procedures or legal actions.

(3) Specific management plan

Information Processing Department :

- A. Maintain the normal operation of computers, protect network security, ensure system operation, maintain web page updates, and manage and maintain Mail Server.
- B. To ensure that the company manages the relevant information systems, shareware and software from unknown sources are not allowed to be installed to prevent poisoning.

Other Departments :

- A. Use the computer normally, and do not use software or files of unknown origin.
- B. Use the e-mail system in accordance with the regulations, and do not send and spread e-mails and unknown files that have nothing to do with the company.
- C. Do not copy files arbitrarily, do not download files arbitrarily, and do not disseminate potentially dangerous files.

(4) Invest resources in information security management

The company regularly reviews the company's overall information security planning, and keeps pace with the times and keeps improving. Continue to conduct information security and personal data protection education and training for all employees, regularly mail Buda information security related norms and case sharing, regularly inspect and maintain host equipment and firewalls, conduct internal audit operations every year, and confirm whether personnel follow the requirements of information security management procedures , and effectively implement and maintain the management system.

In the future, it will be adjusted to an irregular review and an annual regular review. When new weaknesses, organizational or technical infrastructure changes, information security-related actions will be taken immediately; the annual regular review reflects the latest standards, technology and business status. In the future, we will continue to upgrade the firewall and enhance the awareness of cyber security risks for all employees

of the company. Only when all colleagues have the awareness of information security can they jointly protect the company's assets.

2. List the losses suffered due to major information security incidents, possible impacts and countermeasures in the last two years and up to the date of publication of the prospectus. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be explained : None °

(VII) 、 Important contract

Contract nature	Bank	Contract start and end date	Main content	Restrictions
Financing contract	Taiwan Cooperative Financial Holding Co. Ltd.	2023.10.25~2028.10.25	The annual interest rate is approximately 2.478%, subject to flexible adjustment (guaranteed loan)	None
Financing contract	Taiwan Business Bank Co., Ltd.	2024.07.31~2025.07.31 2024.11.19~2025.11.19 2024.11.19~2025.11.19	The annual interest rate is approximately 1.980%, subject to flexible adjustment The annual interest rate is approximately 2.562%, subject to flexible adjustment (guaranteed loan) The annual interest rate is approximately 2.762%, subject to flexible adjustment	None
Financing contract	Chang Hwa Commercial Bank, LTD.	2024.07.23~2025.07.29 2022.08.05~2026.06.30	The annual interest rate is approximately 2.285%, subject to flexible adjustment The annual interest rate is approximately 2.625%, subject to flexible adjustment (guaranteed loan)	None
Financing contract	First Commercial Bank	2024.10.25~2025.10.25 2024.07.23~2025.07.23	The annual interest rate is approximately 2.325%, subject to flexible adjustment The annual interest rate is approximately 2.325%, subject to flexible adjustment (pledged loan)	None

(III) 、Audit Committee Review Report on the Most Recent Annual Financial Report

Bestec Power Electronics Co., Ltd.
Audit Committee's Review Report

The board of directors submitted the company's individual financial report and consolidated financial report for the year ended 2024, which had been audited by Jian Mingyan and Huang Xiuchun, accountants of Deloitte & Touche, and issued an audit report, together with the business report and the profit distribution proposal. The audit committee checked and found that there is no discrepancy. Please report as above in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please review.

Sincerely,

2025 Annual General Meeting, Bestec Power Electronics Co., Ltd.

Convener of the Audit Committee : Wang Ruibin

March 13,2025

VI 、 Review and analysis of financial status and operating results and risk issues

(I) 、 Financial status

Unit : NT\$1,000

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	1,620,576	1,561,338	59,238	3.79
Long-term equity investment	0	0	0	N.A.
Fixed assets	457,838	467,376	(9,538)	(2.04)
Other assets	179,922	31,927	147,995	463.54
Total assets	2,258,336	2,060,641	197,695	9.59
Current liabilities	624,499	593,027	31,472	5.31
Long-term liabilities	537,661	363,611	174,050	47.87
Total liabilities	1,162,160	956,638	205,522	21.48
Share capital	600,000	701,208	(101,208)	(14.43)
Capital reserve	4,906	4,906	0	0.00
Retained earnings	477,688	416,580	61,108	14.67
Cumulative conversion adjustment	13,582	(18,659)	32,241	(172.79)
Treasury stock	0	0	0	N.A.
Total shareholders' equity	1,096,176	1,104,003	(7,827)	(0.71)
The main reasons and impacts of major changes in assets, liabilities, and shareholders' equity in the last two years (changes of more than 20% in the previous and later periods), and future response plans should be explained if the impact is significant: 1. Other assets: Mainly due to the purchase of Japanese real estate by the Japanese subsidiary in 2024, investment real estate of RMB 152,986,000 appeared on the account in 2024. 2. Long-term liabilities: Mainly due to the increase in borrowings due to the Japanese subsidiary's purchase of Japanese investment real estate in 2024Q3. 3. Accumulated translation adjustments: Mainly due to the increase in exchange differences caused by the conversion of foreign currency financial statements of reinvested enterprises evaluated using the equity method into domestic currencies due to exchange rate fluctuations.				

(II) 、Financial Performance

Unit:NT\$1,000

Item \ Year	2024	2023	Change	
	Amount	Amount	Amount	(%)
Sales revenue	67,774	538,650	(470,876)	(87.42)
Cost of goods sold	51,663	364,523	(312,860)	(85.83)
Gross margin	16,111	174,127	(158,016)	(90.75)
Operating expenses	50,773	133,621	(82,848)	(62.00)
Operating income	(34,662)	40,506	(75,168)	(185.57)
Non-operating income and expenses	132,214	450,973	(318,759)	(70.68)
Net profit before tax	97,552	491,479	(393,927)	(80.15)
Loss of closed units	0	(26,780)	26,780	(100.00)
Income tax expense	37,816	(48,200)	(10,384)	(21.54)
Net profit	59,736	416,499	(356,763)	(85.66)
Other comprehensive income for the year (net of tax)	33,645	(10,892)	44,537	(408.90)
Total consolidated net profit for the year	93,381	405,607	(312,226)	(76.98)
Net profit attributable to owners of the parent company	59,704	416,515	(356,811)	(85.67)
Total comprehensive profit and loss attributable to owners of the parent company	93,349	405,623	(312,274)	(76.99)

The main reasons for major changes in operating income, operating profit, and pre-tax net profit in the last two years (changes of more than 20% in the previous and later periods):

1. Operating income: Mainly due to the decrease in customer orders.
2. Operating gross profit: Mainly due to the decrease in operating income.
3. Operating expenses: Mainly due to reduction in personnel.
4. Operating profit: Mainly due to the decrease in gross profit.
5. Non-operating income and expenses: Mainly due to the sale of the subsidiary Dongguan Liande in 2022 and its delivery in 2023, so that a disposal benefit of approximately 377 million was recognized in 2023, but no similar shared benefit was recognized in 2024.
6. Net profit before tax: Mainly due to the recognition of disposal benefits of approximately 377 million yuan from subsidiary Dongguan Liande in 2023, but no similar shared benefits were recognized in 2024. Moreover, as revenue declines, the profits of the industry also decrease.
7. Losses from closed units: Losses from closed units in 2023 are due to the disposal of the

branch company Dongguan Liande, and the local tax bureau has adjusted and increased the amount of back-payable taxes.

8. Income tax expenses: Mainly due to the decrease in profits in 2024 compared with 2023.
9. Net profit for the year: Mainly due to the decrease in the industry's profits and non-operating income and expenses in 2024 compared with 2023.
10. Other comprehensive gains and losses for the year: Mainly due to exchange differences in the translation of financial statements of foreign operating institutions.
11. Total comprehensive net profit for the year: Mainly due to the decrease in profits and non-operating income and expenses of the industry in 2024 compared with 2023.
12. Net profit attributable to owners of the parent company: Mainly due to the decrease in profits and non-operating income and expenses of the industry in 2024 compared with 2023.
13. Total comprehensive profits and losses attributable to owners of the parent company: Mainly due to the decrease in the industry's profits and non-operating income and expenses in 2024 compared with 2023.

(III) 、Cash flow

1.Cash liquidity analysis for the year

Unit : NT\$1,000

Cash balance at the beginning of the year	Annual net cash flow from operating activities	Annual net cash flow due to investment and financing activities	Cash balance	Remedial measures for cash insufficiency	
				Investment plan	Financial plan
1, 034, 427	65, 230	(304, 191)	843, 920	—	—
Analysis of cash flow changes in this year : Net cash inflow from operating activities: Mainly due to the sharp decline in revenue and profit this year, resulting in a decrease in cash inflow from operating activities. Net cash outflow from investing activities: Mainly due to the acquisition of financial assets measured at amortized cost during the year and the purchase of investment real estate by Japanese subsidiaries, which resulted in an increase in net cash outflow from investing activities. Net cash inflow from financing activities: Mainly due to the cash capital reduction this year and the increase in short-term borrowings, which resulted in an increase in net cash inflow from financing activities.					

2. Cash liquidity analysis for the coming year

Unit:NT\$1,000

Opening cash balance	Annual net cash flow from operating activities	Annual net cash flow from operating activities	Cash surplus (deficiency) amount	Remedial measures for cash insufficiency	
				Investment plan	Financial plan
843,920	6,600	36,000	814,520	—	—

(IV)Impact of major capital expenditures on financial business in recent years : None

(V)Reinvestment policy in the most recent year, main reasons for its profit or loss, improvement plan and investment plan for the next year:

1.Investment policy for the most recent year :

The company's decision-making authority conducts reinvestment based on factors such as operational needs or consideration of the company's future growth. The relevant units

provide professional information, and the financial unit compiles the information and makes recommendations to the responsible executives. After the investment proposal is generated, it should be targeted at the invested The company's past and future prospects, market conditions, and operating conditions are evaluated to serve as the basis for decision-making authorities to make investment decisions.

2. The main reason for the profit or loss of reinvestment by the end of 2023, and the improvement plan:

Unit : NT\$1,000

Item	Explanation	Amount	Reinvestment Policy	Main reasons for profit or loss	Improvement plan	Other future investment plans
Ninety-Nine Electronic Limited		11,025	Invest in mainland China	Sale of equity interests in Dongguan Liande, recognition of proceeds	None	Subject to business conditions
Wan Jhih Electronic Limited		13,708	Reinvestment	Recognition of investment income	None	Subject to business conditions
Lianyao Investment Co., Ltd.		4,330	Reinvestment	Recognition of investment income	None	Subject to business conditions
Bestec Power International Ltd.		9,502	Reinvestment	Mainly interest recognition income	None	Subject to business conditions
Baotai Construction Co., Ltd.		(2,188)	Land buying and selling related business	Loss of the business, mainly due to interest expenses	Actively expand business and improve losses..	Subject to business conditions
Bestec Biotechnology CO., LTD.		5	Pet food related business	Business income	None	Subject to business conditions
Bestec Electronics(DongGuan) CO., LTD		(16,542)	Production and sales of power supplies and converters	Business operating income	None	Subject to business conditions
Bestec Inv,Inc.		414	Reinvestment	Recognition of investment losses	Make the reinvestment business play a productive role	Subject to business conditions
Bestec Co., Ltd.		(6,016)	Hotel industry	Due to increase in operating expenses	Reduce operating expenses	Subject to business conditions
APX Power Technology,LLC.		(809)	Expansion of the U.S. Uninterruptible Power System, etc.	Loss of the business	None	Subject to business conditions

3. Investment plan for the coming year:None °

(VI) 、Analysis and Evaluation of Risk Matters

1.The impact of interest rate, exchange rate changes, and inflation on the company's profit and loss and future response measures :

(1). Interest rate changes

The company's interest income and interest expenses in 2024 will gradually increase as a percentage of operating income and operating profits, mainly due to the decrease in the company's revenue. In addition, due to the decrease in revenue, the demand for funds required for operating turnover has also decreased. Therefore, the transfer of funds into U.S. dollar fixed deposits has resulted in an increase in interest income. Since the market financing costs are still in a favorable environment of low interest rates, and the Company's transactions with banks are short-term working capital turnover needs, changes in interest rates have not had a significant impact on the Company. Relevant personnel of the company maintain good relations with banks, strive for more favorable interest rates, reduce interest expenses, and monitor the impact of changes in financial market interest rates on the company's funds at any time, and adopt hedging tools in a timely manner to avoid the risk of rising interest rates.

Unit : NT\$1,000

Year Item	2022	2023	2024
Interest income (A)	1,885	12,939	35,620
Interest expense (B)	9,871	14,159	19,134
Sals revenue(C)	407,295	538,607	65,178
Operating income (D)	(3,401)	4,671	(24,404)
(A)/(C)	0.46%	2.40%	54.65%
(A)/(D)	(55.42)%	277.01%	(145.96)%
(B)/(C)	2.42%	2.63%	29.36%
(B)/(D)	(290.24)%	303.13%	(78.41)%

Source: Financial report audited and certified by accountants

(2) Exchange rate changes

Unit : NT\$1,000

Year Item	2022	2023	2024
Net exchange (loss) gain (A)	17,358	(6,756)	13,200
Net sale revenue (B)	407,295	538,607	65,178
Net profit before tax (C)	22,638	441,134	100,002
(A)/(B)	4.26%	(1.25%)	20.25%
(A)/(C)	76.68%	(1.53%)	13.20%

Source: Financial report audited and certified by accountants

In the electronics industry, the company's main supply targets are mainly export orders from major international information system manufacturers. The company's main sales areas are located in overseas markets in Asia. The quotations and price collection and payment between the company and its export customers are mainly based on US dollars, and the company's foreign currency time deposits are also mainly denominated in US dollars. Therefore, when the US dollar depreciates and the Taiwan dollar appreciates, it will have an adverse impact on the company's revenue and profits. Therefore, exchange rate fluctuations are also factors that affect profits.

Countermeasures:

The company will offset the foreign currency receipts and payments generated by the purchase and sale of goods to reduce the net foreign currency position, resulting in a natural risk hedging effect, but it is still unable to completely avoid the risk of exchange rate changes. In order to strengthen the risk management of exchange rates and reduce its impact on profits, the company The company adopts the following hedging measures:

- A. The financial department keeps in touch with financial institutions and collects real-time exchange rate information according to the development of international political and economic situations, so as to fully grasp the trend of exchange rate changes.
- B. Through the export and import of goods, the foreign currency claims and debts will have a natural hedging effect after offsetting each other, thereby reducing exchange risk.
- C. The company has formulated the "Procedures for Acquisition or Disposal of Assets" as the basis for the management of foreign exchange financial operations for derivative financial product transactions.

(3) Inflation change

The Chinese government has properly controlled the inflation situation in the country, so there is no inflation problem in the country at present. In order to prevent the rising trend of international raw and material prices in the future, which will cause the pressure of increased procurement costs, because the company has more than one supplier of similar raw materials In the future, we will pay close attention to the inflation situation and negotiate with different suppliers to reduce the impact of inflation on the company.

2. Policies for engaging in high-risk, high-leverage investments, lending funds to others, endorsement guarantees, and derivatives transactions, the main reasons for profits or losses, and future countermeasures: The Company's financial policies are based on prudent and conservative principles. In the most recent year and as of the date of publication of the annual report, the Company has not engaged in high-risk, high-leverage investments or derivatives trading projects. The company's subsidiary Dongguan Wanlin Electronics Co., Ltd. (Wanlin for short) has a capital loan from the company's subsidiary Jiude Electronics (Maurisis) Co., Ltd. (Jiude). The maximum balance for this period is RMB 2,500,000 (equivalent to NT\$11,008,000). The company has a capital loan from its Japanese subsidiary of NT\$87,946,000 and an endorsement guarantee of NT\$85,196,000 for its Japanese subsidiary.

3. Future R&D plans and estimated R&D expenses:

A. Future research and development plans are as follows :

a. Power supply required for developing servers

As the demand for data centers and cloud computing technology continues to increase, the design direction of server power supplies is also changing. Currently, higher power density and conversion efficiency are required. Server users have put forward higher requirements for the performance, energy efficiency and stability of server power supplies, which directly affects the operational efficiency and energy consumption of data centers.

b. Develop lens modules with night vision capabilities

It is expected to use Thermal camera sensor to design and develop lenses with night vision function. Currently used monitor lenses and lenses used in self-driving cars do not have night vision function (current lenses must be equipped with infrared small lights to have night vision function).

B. New products planned to be developed

Product	Specification	Application
Lens module with night vision function	None	Monitors and cars

Server power supply	None	Server.
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- (2) The company's estimated investment in research and development expenses is gradually compiled according to the development progress of new products and new technologies. The estimated investment in research and development expenses in 2011 will account for about % of net operating income to support future research and development plans and increase the company's market competitiveness.
4. The impact of major domestic and foreign policy and legal changes on the company's financial business and countermeasures:
The company always pays attention to important political and economic policies and legal changes at home and abroad, and proactively proposes countermeasures in a timely manner; in the most recent year and up to the date of publication of the annual report, there has been no major domestic and foreign policy and legal changes that affect financial business.
- 5-1. The impact of technological changes and industrial changes on the company's financial business and countermeasures:
The company always pays attention to the changes in technology related to the industry in which it operates, grasps market trends and evaluates its impact on the company's operations, but there has been no major technology change in the last year, which has a major impact on the company's financial business.
- 5-2. Information security risk assessment analysis and specific measures:
The company's network construction uses a firewall to isolate external websites and internal group systems. The mail service has built its own Microsoft mail system and installed a spam checking system to avoid threats such as spam and phishing emails. EIP, BPM, and ISO systems can provide services through Internet connections, so the above-mentioned systems are regularly scanned for vulnerability detection to reduce the risk of external malicious intrusion attacks. The company's important core information systems are all set up with a virtual server architecture, which is in line with the system's high reliability plan, and completed the construction of an automated off-site backup system in the fourth quarter of 2011 to reduce the risk of business interruption caused by information security incidents and reduce system Recovery required RTO (Recovery TimeObjective recovery time objective).
6. The impact of corporate image change on corporate crisis management and countermeasures:
The company has a dedicated spokesperson responsible for maintaining the relationship with the public and investors and establishing the company's image; in the most recent year and up to the date of publication of the annual report, no major incidents that have affected the company's corporate image have occurred.
7. Expected benefits, possible risks and countermeasures of mergers and acquisitions:
The company currently has no plans to acquire other companies, so it is not applicable.
8. Expected benefits, possible risks and countermeasures of plant expansion: Our company plans to build a new factory in Machou, Chiayi, to establish a new business production line.
Expected benefits: New businesses can establish production lines, reduce the proportion of outsourced production, and thus reduce production costs.
Possible risks: Market demand is not as expected.
Response measures: If market demand is not as expected, the factory will be rented out or sold.
9. Risks and countermeasures faced by centralized purchase or sales:
- (1). The risks faced by centralized purchase
The company is a manufacturer of power supplies and power converters. Its main materials include integrated circuits, wires, transformers, capacitors, inductors, casings, etc., and there are multiple sources of supply. The company chooses suppliers based on product prices, Factors such as product quality, supplier production capacity, and delivery time are the main considerations. The cooperation between the company and major suppliers is mostly good and

stable, and in the ranking of the total purchases of subsidiaries, the proportion of purchases from a single supplier does not exceed 10%. In addition, the company has not signed long-term supply contracts with suppliers, so there should be no risk of concentration of purchases.

(2). Risks faced by concentrated sales

The company's main sales products are power supplies and power converters, which are currently used in computer peripheral equipment products, consumer electronics products and other electronic products. The types of sales customers include casing factories, EMS factories and system brand manufacturers, etc., among which The casing factory and EMS factory currently mainly cooperate with original brand manufacturers such as EPSON, which are global leading manufacturers in the PC, printer and Internet communication industries. The company's top three sales customers in 2011 accounted for about 100% of the total consolidated revenue, but this concentration of sales is mainly due to the characteristics of the electronic information OEM industry. In order to reduce the risk of over-concentration of sales, in addition to developing new products and expanding business in new markets, the company continues to develop new customers to diversify operations and sales concentration.

10. Directors, supervisors or major shareholders holding more than 10% of the shares, the impact, risks and countermeasures of a large number of equity transfers or replacements on the company:

The company's directors, supervisors or major shareholders holding more than 10% of the company's shares have not experienced a large amount of equity transfer in the most recent year and as of the publication date of the annual report.

11. The impact, risks and countermeasures of the change of management rights on the company:

The company has not had any changes in management rights in the most recent year and up to the date of publication of the annual report .

12. Litigation or non-litigation

- (1) In the last two years of the company and as of March 31, 2023, any litigation, non-litigation or administrative dispute that has been decided or is currently pending, and the outcome of which may have a significant impact on the company's shareholders' equity or securities prices, shall Disclose the facts in dispute, the amount of the target, the date of commencement of the litigation, the main parties involved in the litigation and the current processing situation , please see the explanation in the below table:

Date	Judgment Judgment documents	Plaintiff	Defendant	Cause of action	Instruction	Significant impact on the company's financial business
2014.1.15	Taiwan Taoyuan District Court Ta Zi No. 818 in 2014	Bestec Power Electronic co., LTD.	Hsu Hongzong (Chairman of Jusun Technology Co., Ltd.)		1.2014.1.15 The company filed a criminal complaint against Hsu Hongzong, the person in charge of Jushen Technology Co., Ltd., for alleged fraud. 2. This case is under investigation by the Taiwan Taoyuan District Court Prosecutor's Office.	No significant impact

- (2) Litigation, non-litigation, or administrative disputes that have been determined or are currently being filed by directors, supervisors, general managers, principals in charge of the company, major shareholders holding more than 10% of the shares, and affiliated companies, Those whose results may have a significant impact on the company's shareholders' equity or securities prices , please see the explanation in the below table:

Date	Judgment Judgment documents	Plaintiff	Defendant	Cause of action	Instruction	Significant impact on the company's financial business
2014.07.31	Taoyuan District Court Prosecutor's Office 2013 Investigation Zi No. 22744 Taoyuan District Court Criminal Division 2014Jin Zhong Su Zi No. 5 Taiwan High Court Criminal Division 2019 Jin Appeal No. 50 Taiwan High Court 112 Years of Heavy Money Updated No. 3		Chen Mingzhi	Violation of Securities Exchange Act	1.2014.7.31 The Prosecutor's Office of the Taoyuan District Court filed a public prosecution against the person in charge of the company, believing that there was a violation of the Securities Exchange Act. 2.2019.8.8 The criminal court of Taoyuan District Court ruled that the person in charge of the company lost the case. 3. In September 2019, the person in charge of the company filed an appeal, and the case is being heard by the Criminal Division of the Taiwan High Court. 4.2019.8.8 The criminal court of Taoyuan District Court ruled that the person in charge of the company lost the lawsuit. 5. In September 2019, the person in charge of the company filed	The case involved by the parties in this case is not related to the personal litigation involved in the execution of the company's business, and its legal effect is not as good

					an appeal. 6.2022.1.28 The criminal division of the Taiwan High Court ruled that the person in charge of the company committed the crime of buying securities at a high price. The person in charge of the company refused to accept it and appealed to the third instance. 7.2023.5.31 The Supreme Court ruled that the person in charge of the company was guilty and partially revoked it, and sent it back to the Taiwan High Court. 8.2024.2.29 The Taiwan High Court sentenced the person in charge of the company to suspend the sentence. The case has been decided not to appeal.	as that of the company, and has not caused any impact on the company's operations and business operations.
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(3) Directors, supervisors, managers, and major shareholders holding more than 10% of the company's shares, the incidents stipulated in Article 157 of the Securities and Exchange Law that occurred in the last two years and up to the date of publication of the annual report and the company's current handling status:None.

13. Other important risks and countermeasures :

1. Information security risk assessment and analysis and countermeasures: In the Internet age, third-party illegal intrusion network attack methods are increasing day by day, and information security protection is also becoming more and more difficult. Therefore, in addition to establishing a complete network and computer security protection system, such as firewalls and fire protection software, the company also updates them regularly. Also conduct information security education training and publicity according to the situation. If it is necessary to handle information business outsourcing operations, the information security requirements are also studied in advance, and manufacturers are required to abide by information security responsibilities and confidentiality.

2. Other important risks and countermeasures:None °

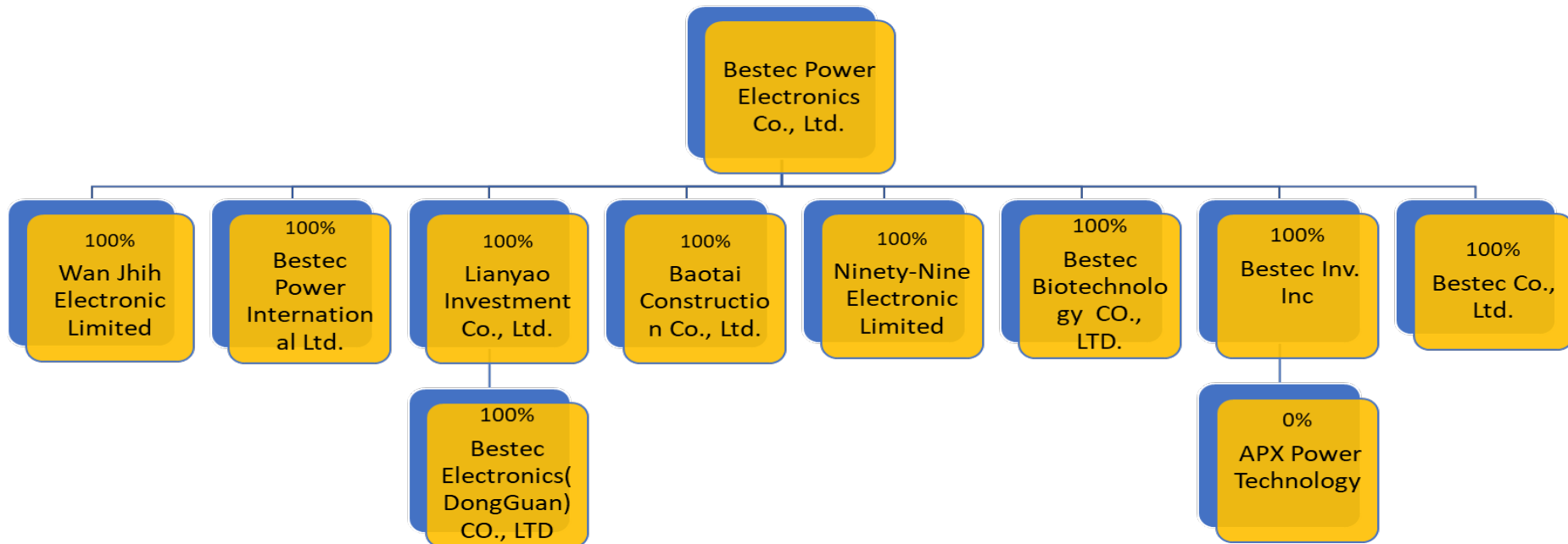
(VII) 、Other important things:None °

VIII 、Special notes:

(I) 、Relevant information of related enterprises:

1. Affiliated business merger business report:

(1)Relationship Enterprise Organization Chart



2. Basic information of each affiliated enterprise

Unit : NT\$1,000

Name	Date of establishment	Address	Paid-in capital	Main business or production items
Wan Jhih Electronic Limited	2002.9.17	60 Market Square, P.O. Box 364, Belize City, Belize	1,553	Trading of various technology products
Ninety-Nine Electronic Limited	2001.3.23	Suite 802, St James Corurt St Denis Street, Port Louis, Mauritius	419,621	Investment related business
Baotai Construction Co., Ltd.	2011.1.20	3rd Floor, No. 25, Lane 20, Section 4, Sanhe Road, Sanchong District, New Taipei City	200,000	Real estate business
Lianyao Investment Co., Ltd.	2006.1.19	4th Floor, No. 36, Lane 20, Section 4, Sanhe Road, Sanchong City, New Taipei City	80,000	Investment related business
Bestec Power International Ltd.	2000.1.18	Level3, Alexander House, 35 Cyberville, Ebene, Mauritius	59,440	Trading of various technology products
Bestec Biotechnology Co., LTD.	2017.7.3	2F, No. 69, Keji 1st Road, Guishan District, Taoyuan City	20,000	Pet food related business
Bestec Inv, Inc.	2018.4.15	2035 Sunset Lake Road Suite B-2, Newark, DE 19702	54,982	Investment related business
APX Power Technology, LLC	2017.5.11	10 N. Martingale Rd, Suite 400, Schaumburg ,IL, 60173, USA.	49,658	Sales of uninterruptible power supply systems and power protectors
Bestec Co., Ltd.	2024.7.3	No. 25-5, Honmachi 3-chome, Shibuya-ku, Tokyo	2,078	Real estate for rent
Bestec Electronics(DongGuan) CO., LTD	2009.7.24	Juzhou Third Industrial Zone, Shijie Town, Dongguan City	17,632	Production and domestic sales of power supplies and power converters

Note 1: On April 28, 2022, the company passed a resolution of the board of directors to dispose of Liande (Dongguan) Co., Ltd. (hereinafter referred to as Liande Dongguan) at a price of RMB 121,200,000. The disposal benefit is RMB 87,692,000.

3. The company has no other related enterprises presumed to have control and subordination under Article 369-3 of the Company Law.
4. The industries covered by the business operations of the overall affiliated enterprises, the businesses operated by the Company and the affiliated enterprises of the Company include :
 - a. The main content of the company's business: processing, manufacturing and trading of power supplies and power converters.
 - b. The main business or production items of each affiliated enterprise: Please refer to the above for details. 2. The main business or production items of the basic information of each affiliated enterprise.
 - c. The division of labor between the business operations of various related companies: The company receives orders and develops and manufactures related products through Bestec Power Electronics (Dongguan).

5.Information on the directors, supervisors and general managers of each affiliated company

Unit : NT\$1,000 ; Share ; %

Name	Title	Name or representative	Hold shares	
			Number of shares	Shareholding ratio (%)
Ninety-Nine Electronic Limited	Chairman	Chen Mingzhi(Representative of Bestec Power Electronics CO., LTD)	1,356,181	100.00
Wan Jhih Electronic Limited	Chairman	Chen Mingzhi(Representative of Bestec Power Electronics CO., LTD)	50,000	100.00
Lianyao Investment Co., Ltd.	Chairman	Chen Mingzhi(Representative of Bestec Power Electronics CO., LTD)	11,352,300	100.00
	Supervisor	Deng Ruiling		
	General manager	Chen Mingzhi		
Bestec Electronics(DongGuan) CO., LTD	Chairman	Chen Mingzhi(Representative of Bestec Power Electronics(DongGuan) CO., LTD)	None	100.00
Bestec Power International Ltd.	Chairman	Chen Mingzhi(Representative of Bestec Power Electronics CO., LTD)	2,000,000	100.00
Baotai Construction Co., Ltd.	Chairman	Deng Ruiling(Representative of Bestec Power Electronics CO., LTD)	25,000,000	100.00
Bestec Inv,Inc.	Chairman	Chen Mingzhi(Representative of Bestec Power Electronics CO., LTD)	9,250	100.00
APX Power Technology,LLC	Chairman	Chen Mingzhi(Representative of Bestec Power Electronics CO., LTD)	-	95.94
Bestec Co., Ltd.	Chairman	Chen Mingzhi(Representative of Bestec Power Electronics CO., LTD)	990	100.00
BESTEC BIOTECHNOLOGY CO., LTD.	Chairman	Deng Ruiling(Representative of Bestec Power Electronics CO., LTD)	2,000,000	100.00
	Director	Chen Mingzhi		
	Director	Chen Xiumei		
	Supervisor	Ye Yongcheng		

6. Overview of the operation of each affiliated company

Unit : NT\$1,000

Name	Capital amount	Total assets	Total liabilities	Net worth	Sales revenue	Operating income or loss	Profit and loss for the period (after tax)	Earnings per share (after tax)
Ninety-Nine Electronic Limited	382,470	532,874	27,767	505,108	-	(329)	11,025	-
Wan Jhih Electronic Limited	1,639	151,998	120	151,878	-	(257)	13708	-
Lianyao Investment Co., Ltd.	80,000	172,863	12066	160,796	-	(329)	4,330	-
Bestec Electronics(Dong Guan) CO., LTD	17,912	79,688	6,134	73,480	51,506	(6,428)	16,542	-
Bestec Power International Ltd.	65,570	123,469	450	123,019	-	(4,149)	9,502	-
Baotai Construction Co., Ltd.	250,000	260,652	46,729	213,922	-	(652)	(2,188)	-
Bestec Biotechnology Co., LTD.	20,000	10,775	100	10,675	-	(127)	5	-
Bestec Inv, Inc.	60,652	890	50	839	-	(149)	414	-
Bestec Co., Ltd.	2,078	160,434	164398	(3,964)	-	(5,874)	(6,016)	-
APX PowerTechnology, LLC	-	-	-	-	-	-	(809)	-

- (1) The company should be included in the preparation of the consolidated financial statements of related companies and should be included in the preparation of parent-subsidiary companies according to International Financial Standards Bulletin No. 10
The companies whose consolidated financial statements are all the same, and the consolidated financial statements of related companies will not be prepared separately。
- (2) The company is not a subsidiary company of other companies, so there is no need to prepare a relationship report。
- A、Handling of privately placed securities in the most recent year and as of the publication date of the annual report : None.
- B、In the most recent year and as of the publication date of the annual report, the holding or disposal of the company's stocks by subsidiaries : None。
- C、Other necessary supplementary explanations : None。
- D、In the most recent year and up to the date of publication of the annual report, any event that has a significant impact on shareholders' equity or securities prices as specified in Subparagraph 2, Paragraph 3, Article 36 of the Securities Exchange Act : None。