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Eson Precision Ind. Co., Ltd.

2024 ANNUAL REPORT

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ESON annual report is available at <https://www.eson.tw>

Printed on April 21, 2024

I 、Headquarters And Branch

1.Headquarters : Eson Precision Ind. Co., Ltd.

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Tel : (886)2-2267-3272

2.Branch : Eson Precision Ind. Co., Ltd. Taiwan Branch

Address : 12F.-3, No.2, Sec. 4, Zhongyang Rd., Tucheng Dist., New Taipei City 236, Taiwan
Tel : (886)2-2267-3272

3.Branches in China & Hong Kong

(1) Kunshan Eson Precision Engineering Co., Ltd.

Address : No. 88, Yuanfeng Road, Yushan Town, Kunshan City, Jiangsu Province, China
Tel : (86)512-5757-2938

(2) Yantai Zheng Yi Precision Electronics Co., Ltd.

Address : No. 88, Tianjin South Road, Economy and Technology Development Area A-7, Yantai,
Shandong Province, China
Tel : (86)535-2168-888

(3) Wuxi Xinguan Metal Science & Technology Co., Ltd.

Address : North of Furong 4th Road, Xishan Economic Development Zone, Wuxi City, Jiangsu
Province, China
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(4) Dongguan Yihong Precision Mould Co., Ltd.

Address : No.6, Xin Yuan Sounth Road,Ke Yuan Cheng,Tangxia Town,Dongguan City, Guangdong
Province, China
Tel : (86)769-8791-9391

(5) Kunshan Kang Rui Package Material Co., Ltd.

Address : No. 88, Yuanfeng Road, Yushan Town, Kunshan City, Jiangsu Province, China
Tel : (86)512-5757-2938

(6) Heng Xie Enterprises Limited

Address : Suites1222, 12/F., Leighton Centre, 77 Leighton Road, Causeway Bay, Hong Kong.

Tel : (886)2-2267-3272

(7) Kong Eagle International Limited.

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Tel : (886)2-2267-3272

4.Branches in Singapore

(1) Multiwin Precision Ind Pte. Ltd

Address : 54 Genting Lane #03-05 Ruby Land Complex Singapore

Tel : (886)2-2267-3272

(2) Eson Precision Industry (Singapore) Pte. Ltd.

Address : 54 Genting Lane #03-05 Ruby Land Complex Singapore

Tel : (886)2-2267-3272

5.Branches in Mexico

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Address : Blvd La Jolla 4432, Parque Industrial La Jolla, Cp 22525 Tijuana, Bc Mexico

Tel : (52)664-250-6721

(2) Esonmex Monterrey S.A. De C.V.

Address : #78 Av. Las Americas, Parque Industrial Advance, Garcia, NL, Mexico C.P.66017

Tel : (52) 1-81-2210-7238

6.Branches in Slovakia

(1) Eson Europe S.R.O.

Address : Rontgenova 26 851 02 Bratislava Slovakia

Tel : (886)2-2267-3272

(2) Eson Slovakia A.S.

Address : Rontgenova 26 851 01 Bratislava Slovakia

Tel : (886)2-2267-3272

7.Branches in Mauritius

(1) Global Sun Trading Co., Ltd.

Address : 3rd Floor, 355 NeX, Rue du Savoir, Cybercity, Ebene 72201, Mauritius.

Tel : (886)2-2267-3272

(2) Grand Liberty Co., Ltd.

Address : Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius

Tel : (886)2-2267-3272

(3) Ample Wealth Enterprise Ltd.

Address : Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius

Tel : (886)2-2267-3272

(4) Zeal International Co., Ltd.

Address : Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius

Tel : (886)2-2267-3272

(5) Unique Champion Co., Ltd.

Address : Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius

Tel : (886)2-2267-3272

(6) Zenith Profits Co., Ltd.

Address : Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius

Tel : (886)2-2267-3272

8.Branches in Samoa

(a) All Spacer Enterprises Co., Ltd.

Address : Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa

Tel : (886)2-2267-3272

9.Branches in Malaysia

(1) Eson Precision Engineering (Malaysia) Sdn. Bhd.

Address : Lot 3, Jalan P/10, Kawasan Perusahaan Seksyen 10, 43650 Bandar Baru Bangi Selangor, Malaysia.

Tel : (60)3-8920-0270

(2) Eson Batupahat Precision Engineering Sdn. Bhd.

Address : Plo-2,Kawasan Perindustrian Sri Gading,83009 Batupahat Johor, Malaysia.

Tel : (60)7-455-8266

10.Branches in Vietnam

(1) Eson (VN) Precision Industry Co., Ltd.

Address : Lot Cn-05 Dong Mai Industrial Park, Dong Mai Ward, Quang Yen Town , Quang Ninh Province, Vietnam

Tel : (886)2-2267-3272

11.Branches in America

(1) Blackyotta Inc

Address : 2555 Camino del Rio S, Suite 101, San Diego, CA 92108

Tel : (52)664-250-6721

II 、Spokesperson & Deputy Spokesperson

Spokesperson: Lin, You-Ching

Title: Chief Financial Officer

Tel.: (886) 2-2267-3272

E-mail: ESON-IR@eson.tw

Deputy Spokesperson: Liu, Li-Ling

Title: Manager

Tel.: (886) 2-2267-3272

E-mail: ESON-IR@eson.tw

III 、Agent And Litem

Name : Tsai, Chia-Hsiang

Title: Chairman

Tel.: (886) 2-2267-3272

E-mail: ESON-IR@eson.tw

IV 、Stock Transfer Agent

Name : Grand Fortune Securities Co., Ltd.

Address : 5.6.7F., No.6, Sec. 1, Zhongxiao W. Rd., Taipei, Taiwan

Tel : (886)2-2371-1658

Website : [http:// www.gfortune.com.tw](http://www.gfortune.com.tw)

V 、Auditors

Name of CPA : Wu, Ke-Chang and Chiu, Ming-Yu

CPA Firm : Deloitte & Touche

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

Tel : (886)2-2725-9988

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

VI 、Overseas Securities Exchange: No

VII 、Company Website: <https://www.eson.tw>

VIII 、Members of the Board of Directors

Title	Name	Nationality/ Place of Incorporation	Experience (Education)
Chairman	Ace Progress Holdings Limited	SAMOA	-Taipei Municipal Shilin High School of Commerce -Chairman of Chen Shuen Industry Co., Ltd -Chairman of Kuan Hung Precision Co., Ltd
	Representative : Tsai, Chia-Hsiang	R.O.C	
Director	Ace Progress Holdings Limited	SAMOA	-Coventry University MBA -Factory Chief of Chenbro Micom Co., Ltd.-General Manager of Dongguan Jiawei Electronics Co., Ltd.
	Huang, Hsin-Feng	R.O.C	
Director	Golden Harvest Management Limited	PANAMA	-Master of Business Administration, Soochow University -Senior Director of Hon Hai Precision Ind. Co., Ltd. -President of Foxconn Technology Co., Ltd.
	Representative : Lee, Kuang-Yao	R.O.C	
Director	Golden Harvest Management Limited	PANAMA	-Master of Business Administration, George Washington University -Director of Hon Hai Precision Ind. Co., Ltd. -Financial Vice President of Brite Semiconductor (Shanghai) Corporation -Senior Manager of Lite-on Technology Corporation
	Representative : Lee, Wei-Kang	R.O.C	
Independent Director	Kao, Chih-Chien	R.O.C	-Master of Accounting, Chung Yuan Christian University - Certified Public Accountant
Independent Director	Jang, Woan-Shiuan	R.O.C	-Master in Law, Fu Jen Catholic University -Attorney
Independent Director	Lee, Chien-Ming	R.O.C	-Doctor of Economics, National Taipei University -Retirement -Professor of National Taipei University

TABLE OF CONTENTS

1	LETTER TO SHAREHOLDERS.....	1
2	CORPORATE GOVERNANCE.....	5
2.1	DIRECTORS, SUPERVISORS AND MANAGEMENT TEAM	5
2.2	IMPLEMENTATION OF CORPORATE GOVERNANCE.....	18
2.3	INFORMATION REGARDING CPA FEES	50
2.4	INFORMATION ON CHANGE OF CPA.....	50
2.5	WHETHER THE COMPANY’S CHAIRMAN, PRESIDENTS, AND MANAGERS IN CHARGE OF ITS FINANCIAL AND ACCOUNTING OPERATIONS HAVE HELD ANY POSITIONS IN COMPANY’S INDEPENDENT AUDITING FIRM OR ITS AFFILIATES BUSINESS IN THE MOST RECENT YEAR:	50
2.6	PARTICULARS ABOUT CHANGE IN SHAREHOLDING AND SHARES PLEDGE OF DIRECTORS, MANAGERS AND MAJOR SHAREHOLDERS WHO OWN 10% OR MORE OF ESON’S SHARES DURING THE MOST RECENT YEAR AND AS OF THE DATE OF THIS ANNUAL REPORT.....	51
2.7	THE RELATIONS OF THE TOP TEN SHAREHOLDERS	52
2.8	LONG-TERM INVESTMENT OWNERSHIP	53
3	FUNDING STATUS.....	54
3.1	CAPITAL AND SHARES	54
3.2	ISSUANCE OF CORPORATE BOND.....	58
3.3	PREFERENCE SHARES.....	58
3.4	ISSUANCE OF GLOBAL DEPOSITORY RECEIPTS	58
3.5	EMPLOYEE STOCK OPTION AND EMPLOYEE RESTRICTED STOCKS.....	58
3.6	STATUS OF NEW SHARE ISSUANCE IN CONNECTION WITH MERGERS AND ACQUISITIONS	58
3.7	FINANCING PLANS AND IMPLEMENTATION	59
4	OVERVIEW OF BUSINESS OPERATION	59
4.1	CONTENT OF BUSINESS	59
4.2	MARKET AND SALES OVERVIEW	72
4.3	EXPENDITURE ON ENVIRONMENTAL PROTECTION	76
4.4	EMPLOYER AND EMPLOYEE RELATIONSHIPS.....	77
4.5	CYBER SECURITY MANAGEMENT:	79
4.6	IMPORTANT CONTRACTS	80
5	REVIEW OF FINANCIAL POSITION, MANAGEMENT PERFORMANCE AND RISK MANAGEMENT	81
5.1	ANALYSIS OF FINANCIAL STATUS	81
5.2	ANALYSIS OF OPERATION RESULTS	82
1.	COMPARATIVE ANALYSIS OF FINANCIAL PERFORMANCE	82
5.3	ANALYSIS OF CASH FLOW	82

5.4	MAJOR CAPITAL EXPENDITURE.....	82
5.5	INVESTMENT POLICY IN LAST YEAR, MAIN CAUSES FOR PROFITS OR LOSSES, IMPROVEMENT PLANS, AND THE INVESTMENT PLANS FOR THE COMING YEAR.....	82
5.6	ANALYSIS OF RISK MANAGEMENT.....	84
5.7	OTHER MAJOR ITEMS.....	91
6	OTHER SPECIAL NOTES	92
6.1	SUMMARY OF AFFILIATED COMPANIES	92
6.2	SUBSCRIPTION OF MARKETABLE SECURITIES PRIVATELY IN THE MOST RECENT YEARS AND UP TO THE DATE OF THE REPORT PRINTED	97
6.3	THE STOCK SHARES OF THE COMPANY HELD OR DISPOSED BY THE SUBSIDIARIES IN THE MOST RECENT YEARS AND UP TO THE DATE OF THE REPORT PRINTED	97
6.4	SUPPLEMENTARY DISCLOSURES	97
6.5	OCCURRENCE OF EVENTS DEFINED IN SECURITIES TRANSACTION LAW ARTICLE 36.3.2 THAT HAS GREAT IMPACT ON SHAREHOLDER’S EQUITY OR SECURITY PRICE IN THE MOST RECENT YEARS AND UP TO THE DATE OF THE REPORT PRINTED.....	97
6.6	DIFFERENCES BETWEEN THE COMPANY’S ARTICLES OF ASSOCIATION AND ROC’S SHAREHOLDERS’ RIGHTS PROTECTION GUIDELINES.....	98

1 Letter to Shareholders

I. 2024 Business Report

1.Business Plan Implementation Results

The Company's consolidated revenue in 2024 was NT\$13.094 billion, up 13.25% compared to the previous year. In the past year, the global economy is estimated to have grown by about 3%. Coupled with the booming AI industry and growing demand for electric vehicle products, the Company's revenue increased compared to the previous year. Altogether, the net profit after tax attributable to the equity holders of the Company for the entire year amounted to NT\$566 million. In the future, the Company will continue to pursue more opportunities in existing customers and product portfolios, while expanding existing technologies to other industries to create greater synergies. Higher level of process automation and our efforts to improve efficiency and reduce costs are expected to benefit the Company's profits.

On behalf of the Company's management team, we would like to express our deepest respect and sincere gratitude to all shareholders for their continuous support and encouragement to the Company. This has driven the management team to work harder to create value for all shareholders and create a better vision for the future.

2.Financial Status and Profitability :

In Thousands of New Taiwan Dollars

Item	2024	2023	Increase/Decrease (%)
Operating Revenue	13,094,331	11,562,007	13.25
Operating Costs	10,570,254	9,269,382	14.03
Gross Profit	2,524,077	2,292,625	10.10
Operating Expenses	1,757,317	1,428,153	23.05
Operating Income	766,760	864,472	(11.30)
Non-operating Revenue and Expenses	12,008	42,337	(71.64)
Net Income Before Tax	778,768	906,809	(14.12)
Net Income After Tax	566,427	597,466	(5.20)
Net income belongs to :			
Owners of ESON	566,427	597,466	(5.20)
Non-controlling Interests	-	-	-

Item	2023	2022
ROA (%)	5.19	5.58
ROE (%)	7.54	8.38
Operating income to paid-in capital ratio (%)	45.50	51.30
Income before tax to paid-in capital ratio (%)	46.21	53.81
Net profit ratio (%)	4.33	5.17
EPS (NT\$)	3.36	3.55

I. Business Development

- (一) Continued growth of the core business: The Company achieved good growth in its main business of automobile parts in 2024, resulting in overall business showing a steady upward trend.
- (二) Rapid business expansion in North America: The revenue of the Tijuana plant in Mexico continues to grow, and the newly completed Monterrey plant, which has started operations, has also obtained good business opportunities with the support of customers. We expect North America to remain the focal point of our operations in the future.
- (三) Rapid growth of emerging businesses: The rapid growth of the AI industry over the past year has driven the rapid growth of our server business, and also driven our overall business growth.

一、Innovation and technology:

- (一) Introduction of new processes: We introduced new processes, including laser cutting, bending, NCT, welding, and CNC, in North America to meet customer needs and reduce outsourcing to lower costs. This allows us to provide customers with a "one-stop shopping" experience, which enhances our competitiveness as we pursue opportunities for more purchase orders.
- (二) Product development: We are improving the technical capabilities of the global product development center, and recruiting more outstanding mold design engineers and development engineers to meet the increasing demand of customers on different products. We are able to more quickly discover design issues through the analysis of engineering simulation software, which shortens development time and reduces development costs. At the same time, we are implementing automation plans to improve manufacturing quality and meet customer needs.
- (三) Implementation of automation: As customers need more sophisticated, complex and large-scale products, many production processes can no longer use the traditional manual approach, and automation has gradually become a basic requirement. In addition, as the quality requirements for high-precision products become growingly strict, coupled with the difficulty of training skilled employees, stable and automated production has become customers' first choice. Over the past year, our automation team has introduced several fully automatic production lines to meet customers' expectations, which also enhanced our competitiveness.
- (四) Information security and informatization: Over the past year, we have focused on strengthening information security and effectiveness, including blocking hackers, strengthening firewalls, updating and backing up networks and servers, remote backup management, and the implementation of other internal information security controls, which have significantly reduced information security risks. We simultaneously deployed PLM systems in Asia and North America, which will greatly benefit the documentation of the product development process, sharing of development data, project progress management, and transition from development to mass production. Each plant will implement the MES system to improve production management and strengthen product traceability, enabling real-time monitoring of production progress and improving material management and quality management.
- (五) Technology integration and application: Our plants share technical data through the internal sharing platform. Our development team and manufacturing teams regularly communicate during the product development process and integrate the technical resources of each plant, taking on the challenge of

integrating processes with higher added value, in order to pursue more opportunities.

II. Future Development Strategy

With the global economy growing slightly in 2024, we successfully gained recognition from important international customers with our outstanding product development capabilities, flexible manufacturing capabilities, and excellent quality management, securing a place in the global trend of AI. The Company's current product strategy still focuses on automobiles, AI servers, new energy, communications, and consumer electronics, while also pursuing application opportunities in other potential markets. To achieve sustainable development, the Company planned the following development strategies for 2025:

- (一) Further develop the core business: Our core business is the foundation of our growth and competitiveness. In the coming year, we will continue to strengthen product development and manufacturing capabilities, improve product and service quality, optimize the supply chain system and operational efficiency, consolidate existing customers, and pursue opportunities for more purchase orders.
- (二) Expand into emerging markets: With the support of existing mature technology applications, we will pursue customers in different markets and expand the scope of our products. We will adjust the Group's production capacity in coordination with the localization strategy of customers. In particular, customers in Monterrey have the greatest potential and should be where we will see the most growth in the future.
- (三) Strengthen global and regional strategies: Globalization is an important development strategy of the Company in the long term, and the a global strategy with regional division of labor will enhance the Group's overall competitiveness, allowing us to achieve the goal of continuous expansion. Operation modes include regional expansion in Southeast Asia and North America, establishment of localized production and supply chains, strengthening strategic partnerships, digital development and technological empowerment, and global talent and cultural integration operations.
- (四) Promote sustainable development: We will incorporate ESG concepts into corporate strategies, create long-term value for society, and fulfill our social responsibilities in line with international trends. Mainly includes environmental protection, resource management, employee safety, multicultural inclusion, corporate governance, ethical management, innovation, and cooperation. In addition to fulfilling our social responsibilities, this will allow us to gain the support of more major customers around the world.

III. Impacts due to the competitive environment, regulatory environment, and overall business environment

- (一) The impact of geopolitics will become more apparent in the future, future policies are hard to predict, and changes to monetary policy, trade barriers, and tariffs or market restructuring all may have a significant impact. Fierce global competition and the decline in competitiveness of certain clients will all cause changes in our operations. The Company continues to improve production and operation capabilities, strengthen the coordination of production capacity across factories, and continues to utilize the advantages of vertical integration to develop new high-quality customers and products. This will allow us to maintain continued growth in the turbulent environment.
- (二) Many countries might elect new leaders in 2025, and regional conflicts might become even more intense, resulting in higher uncertainty. The company will strengthen its financial and capital management in order to maintain a certain level of capital operation capability despite current risks to cope with future changes.
- (三) ESG is the current international trend. The Company has always complied with the laws and regulations

of each country, and engages in environment, social responsibility, and governance operations to ensure compliance, including energy conservation, emission reduction, promotion of renewable energy, implementation of waste recycling, reduction of water consumption, improvement of corporate governance transparency, and ethical management, to fulfill our corporate social responsibility.

Finally, I would like to express my sincere gratitude to all shareholders, investors, and all employees for your continued support. I hope that you will continue to uphold your original intentions and provide us with guidance in the future, so that we can continue to grow and share the results of our operations with everyone.
Best wishes

Chairman : Tsai, Chia-Hsiang

President : Lin, Yu-Chuan

Accounting Manager : Lin, You Ching

2 Corporate Governance

2.1 Directors, Supervisors and Management Team

2.1.1 Directors

1.Introduction of Board of Directors

April 22, 2025 ; Shares: In thousands

Title	Nationality/ Place of Incorporation	Name	Gender/ Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	SAMOA	Ace Progress Holdings Limited	Male 51~60 Years old	2024/06/19	3	2008/10/07	15,351	9.11%	15,351	9.11%	-	-	-	-	-Taipei Municipal Shilin High School of Commerce -Chairman of Chen Shuen Industry Co., Ltd -Chairman of Kuan Hung Precision Co., Ltd	Note1	-	-	-	-
	R.O.C	Representative : Tsai, Chia-Hsiang					-	-	-	-	-	-	-	-						
Director	SAMOA	Ace Progress Holdings Limited	Male 51~60 Years old	2024/06/19	3	2024/06/19	15,351	9.11%	15,351	9.11%	-	-	-	-	- MBA from Coventry University - Factory Chief of Chenbro Micom Co., Ltd. - General Manager of Dongguan Jiawei Electronics Co., Ltd.	Note1	-	-	-	-
	R.O.C	Representative : Huang, Hsin-Feng					-	-	-	-	-	-	-	-						
Director	PANAMA	Golden Harvest Management Limited	Male 51~60 Years old	2024/06/19	3	2021/07/07	44,613	26.47%	44,613	26.47%	-	-	-	-	-Master of Business Administration, Soochow University-President of Foxconn Technology Co., Ltd.	Note1	-	-	-	-
	R.O.C	Representative : Lee, Kuang-Yao					-	-	-	-	-	-	-	-						
Director	PANAMA	Golden Harvest Management Limited	Male 51~60 Years old	2024/06/19	3	2021/07/07	44,613	26.47%	44,613	26.47%	-	-	-	-	-Master of Business Administration, George Washington University -Financial Vice President of Brite Semiconductor (Shanghai) Corporation -Senior Manager of Lite-on Technology Corporation	Note1	-	-	-	-
	R.O.C	Representative : Lee, Wei-Kang					-	-	-	-	-	-	-	-						
Independent Director	R.O.C	Kao, Chih-Chien	Male 41~50 Years old	2024/06/19	3	2012/10/31	-	-	-	-	-	-	-	-	-Master of Accounting, Chung Yuan Christian University - Certified Public Accountant	Note1	-	-	-	-
Independent Director	R.O.C	Jang, Woan-Shiuan	Female 41~50 Years old	2024/06/19	3	2024/06/19	-	-	-	-	-	-	-	-	-Master in Law, Fu Jen Catholic University -Attorney	Note1	-	-	-	-

Title	Nationality/ Place of Incorporation	Name	Gender/ Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	R.O.C	Lee, Chien-Ming	Male 61~70 Years old	2024/06/19	3	2021/07/07	-	-	-	-	-	-	-	-	-Retirement -Doctor of Economics, National Taipei University - Retirement -Professor of National Taipei University	Note1	-	-	-	-

Note1 : Other Position

Title	Name	Other Position
Chairman	Ace Progress Holdings Limited Representative : Tsai, Chia-Hsiang	Director of Ace Progress Holdings Limited Chairman of Kunshan Eson Precision Engineering Co., Ltd. Chairman of Yantai Zheng Yi Precision Electronics Co., Ltd. Chairman of Wuxi Singuan Metal Science & Technology Co., Ltd. Chairman of Dongguan Yihong Precision Mould Co., Ltd. Chairman and President of Eson (VN) Precision Industry Co., Ltd.
Director	Ace Progress Holdings Limited Representative : Huang, Hsin-Feng	Executive Director of Eson Precision Engineering Co., Ltd.
Director	Golden Harvest Management Limited Representative : Lee, Kuang-Yao	Chairman of Pan-International Co., Ltd. Director of FARobot, Inc. Director of DUDOO Senior Director of Hon Hai Precision Ind. Co., Ltd. General Manager of Foxconn New Business Development Group Co., Ltd. General Manager of Foxconn New Energy Vehicle Industry Development (Henan) Co., Ltd.
Director	Golden Harvest Management Limited Representative : Lee, Wei-Kang	Senior Director of Hon Hai Precision Ind. Co., Ltd.
Independent Director	Kao, Chih-Chien	CPA of DS Certified Public Accountants Independent Director of Bright Sheland International Co., Ltd. Independent Director of Yankey Engineering Co., Ltd. Director of Dingjun Management Consulting Co., Ltd. Director of Qianyun Investment Co., Ltd.
Independent Director	Jang, Woan-Shiuan	Managing Attorney of Yuantuo Law Offices Supervisor of Dnc Holdings Co., Ltd. Independent Director of Thermaltake Technology Co., Ltd.
Independent Director	Lee, Chien-Ming	Consultant of the Taiwan Institute of Economic Research

2.Supervisors : The company set up an audit committee, no supervisor.

3.Major Shareholders of Institutional Shareholders

(1) Major Shareholders

Name of Institutional Shareholders	Major Shareholders
Golden Harvest Management Limited	Foxconn (Far East) Limited-Cayman(100%)
Ace Progress Holdings Limited	Tsai, Chia-Hsiang (100%)

(2) Major shareholders of the Company's major institutional shareholders

Name of Institutional Shareholders	Major Shareholders
Foxconn (Far East) Limited-Cayman	Hon Hai Precision Industry Co., Ltd.(100%)

1. Professional qualifications and independence of directors

Condition Name	Professional qualifications and Experiences	Independence status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Ace Progress Holdings Limited Representative : Tsai, Chia-Hsiang	Possesses five or more years of work experience required for the Company's business. None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.	Not Applicable	0
Ace Progress Holdings Limited Representative : Huang, Hsin-Feng	Possesses five or more years of work experience required for the Company's business. None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.		0
Golden Harvest Management Limited Representative : Lee, Kuang-Yao	Possesses five or more years of work experience required for the Company's business. None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.		0
Golden Harvest Management Limited Representative : Lee, Wei-Kang	Possesses five or more years of work experience required for the Company's business. None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.		0
Independent Director Kao, Chih-Chien	Certified Public Accountant qualification. None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.	All of the following situations apply to each and every of the Independent Directors: 1. Satisfy the requirements of Article 14-2 of "Securities and Exchange Act" and "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" (Note 2) issued by Taiwan's Securities and Futures Bureau 2. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any TSMC shares 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an "audit service" or a "non-audit service"	2
Independent Director Jang, Woan-Shiuan	Attorney qualification. None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.		1
Independent Director Lee, Chien-Ming	Lecturer in Business or Corporate Affairs at a Public University/College. None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.		0

Note 1 : The company set up an audit committee, no supervisor

Note 2: A person shall not act in a management capacity for a company, and if so appointed, must be immediately discharged if they have been:

1. Convicted for a violation of the Statutes for the Prevention of Organizational Crimes and: has not started serving the sentence; has not completed serving the sentence; or five years have not elapsed since completion of serving the sentence, expiration of probation, or pardon;
2. Convicted for fraud, breach of trust or misappropriation, with imprisonment for a term of more than one year, and: has not started serving the

sentence; has not completed serving the sentence; or two years have not elapsed since completion of serving the sentence, expiration of probation, or pardon;

3.Convicted for violation of the Anti-Corruption Act, and: has not started serving the sentence; has not completed serving the sentence; or two years have not elapsed since completion of serving the sentence, expiration of probation, or pardon;

4.Adjudicated bankrupt or adjudicated to commence a liquidation process by a court, and having not been reinstated to his or her rights and privileges;

5.Sanctioned for unlawful use of credit instruments, and the term of such sanction has not expired yet;

6.if she/he does not have any or limited legal capacity; or

7.if she/he has been adjudicated to require legal guardianship and such requirement has not been revoked yet

Note 3: During the two years before being elected and during the term of office, meet any of the following situations:

1.Not an employee of the Company or any of its affiliates.

2.Not a director or supervisor of the Company or any of its affiliates. (The same does not apply, in cases where the person is an independent director of the Company, its parent company, or any subsidiary in which the Company holds in accordance with domestic or local regulations.)

3.Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or ranking in the top 10 in holdings.

4.Not the managers as item 1 or a spouse, relative within the second degree of kinship, lineal relative within the third degree of kinship of the person as item 2 & 3.

5.Director, supervisor, or legal shareholders who are not directly holding more than 5% of the company's total issued shares, or appointing representatives as company directors or supervisors in accordance with Article 27, paragraph 1 or 2 of the Company Law Employee (but if the independent directors established by the company and its parent company, subsidiary company or subsidiary of the same parent company in accordance with this law or local national laws and regulations are concurrently held by each other, it is not limited to this)

6.More than half of the shares that are not on the board of directors of the company or have voting rights are the directors, supervisors or employees of other companies controlled by the same person (but if it is the company or its parent company, subsidiary, or subsidiary of the same parent company (The independent directors established by the laws or local laws and regulations of the country serve concurrently with each other, this is not the case)

7.Directors (directors), supervisors (supervisors) or servants of other companies or organizations who are not the same person or spouse with each other and are the same person or spouse (Or independent directors set up by subsidiaries of the same parent company in accordance with this law or local national laws and regulations serve concurrently, not subject to this limit)

8.Directors (directors), supervisors (supervisors), managers or shareholders holding more than 5% of a specific company or organization that does not have financial or business dealings with the company (but if a specific company or organization holds 20% of the company's total issued shares Above, not more than 50%, and the independent directors established by the company and its parent company, subsidiary company or subsidiary of the same parent company in accordance with this law or local national laws and regulations concurrently serve each other, not limited to this)

9.Professionals, sole proprietorships, partnerships, business owners of companies or institutions that do not provide audits for companies or related companies or business, legal, financial, accounting and other related services that have not received more than NT\$ 500,000 in cumulative compensation in the past two years Partners, directors (directors), supervisors (supervisors), managers and their spouses. However, members of the Compensation Committee, Public Takeovers Review Committee, or M&A Special Committee performing their functions and powers in accordance with the relevant laws and regulations of the Securities Exchange Act or the Corporate M&A Act are not limited to this.

10.Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company.

11.Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.

2. Diversity and independence of the Board of Directors:

(1) Diversity of the Board of Directors:

Based on the policy of diversification and strengthening of corporate governance in order to promote the sound development of the Company's board composition and structure. In addition, the Company has, based on its own operations, operational patterns and developmental needs, formulated appropriate diversification policies including but not limited to the following:

- ① Basic conditions and value: gender, age, nationality and culture.
- ② Professional knowledge and skills: operational judgment capability, accounting and financial analysis capability, business management capability, risk management capability, industry knowledge, international market outlook, leadership capability, and decision-making capability.

The current Board of Directors of the Company consists of seven directors. The specific management objectives of the board diversity policy and their achievement status are as follows:

Diversity management objectives	Achievement status
The number of independent directors exceeds one third of the board seats	Done
Adequate and diverse professional knowledge and skills	Done

The implementation status of the board diversity policy is as follows:

Core of diversify Name		Basic composition									Professional background		Professional knowledge and capabilities						
		Nationality	Gender	Employee	Age			Tenure and seniority of independent directors (less than 3 years)			Accounting	Industry	Law	Operational judgment capability	Business management capability	Leadership and decision making capability	Risk management capability	Industry knowledge	International Market outlook
					41~50	51~60	61~70	3	3~9	9									
Director	Tsai, Chia-Hsiang	R.O.C.	Male	v		v						v		v	v	v	v	v	v
	Huang, Hsin-Feng		Male	v		v						v		v	v	v	v	v	v
	Lee, Kuang-Yao		Male			v						v		v	v	v	v	v	v
	Lee, Wei-Kang		Male			v						v		v	v	v	v	v	v
Independent director	Kao, Chih-Chien		Male		v					v	v	v		v	v	v	v	v	v
	Jang, Woan-Shiuan		Female		v			v				v	v	v	v	v	v	v	v
	Lee, Chien-Ming		Male				v		v			v		v	v	v	v	v	v

(2) Independence of the Board of Directors: The Board of Directors of the Company consists of seven directors, of which three are independent directors and four directors (42.86% and 57.14% of all directors) As of 2024.12.31, In addition, all of independent directors comply with the regulations of the Securities and Futures Bureau and none of the circumstances prescribed in paragraph 3 and paragraph 4, Article 26-3 of the Securities Exchange Act exist among the directors and independent directors. The Board of Directors of the Company is independent (Please refer to page 12 of this Annual Report - Disclosure of information on professional qualifications of directors and independence of independent directors). The Experience(Education), Gender and Work Experience(Please refer to page 9-11 of this Annual Report - Information of directors). The number of female directors on the company's board has not reached one-third, mainly due to the characteristics of the industry. In the future, we will incorporate gender diversity goals into the director nomination policy.

2.1.2 Management Team

Apr 22, 2025 ; Shares: In thousands

	Name	Gender	Nationality	On-board Date	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	Lin, Yu-Chuan	Male	R.O.C	2023/03/13	-	-	-	-	-	-	Department of Electronic Engineering, Chung Yuan Christian University Factory Chief, Dongguan Sootum Electronics Co., Ltd. Section Chief, Jabil Green Point Co., Ltd.	-	-	-	-	-
Vice President	Chou, Cheng-Chang	Male	R.O.C	2024/08/27	-	-	-	-	-	-	Master's Degree in Mechanical Engineering, National Chiao Tung University General Manager, Golden Bridge Technology Co., Ltd. Deputy General Manager, Xiangxin Technology Co., Ltd.	-	-	-	-	-
Vice President	Hsiao, Hao-Chou	Male	R.O.C	2023/03/13	15	0.01%	-	-	-	-	Master of Industrial Engineering, University of Michigan, Ann Arbor Manager, Formosa Prosonic	-	-	-	-	-
Vice President	Tsai, Jia-Hua	Female	R.O.C	2023/05/10	-	-	-	-	-	-	Ph.D. of College of Management, National Taiwan University Operations Manager, Jabil Inc. Assistant Manager, Wuxi Xinguan Metal Science & Technology Co., Ltd.	-	-	-	-	-
Chief Financial Officer/ Accounting Supervisor	Lin, You-Ching (Note 3)	Male	R.O.C	2021/03/23	-	-	-	-	-	-	Master of College of Management, National Taiwan University Director of Finance and Accounting Department of L & K Engineering Co., Ltd. Manager of Pricewaterhouse Coopers Taiwan	-	-	-	-	-
Manager	Liu, Li-Ling	Female	R.O.C	2020/03/19	-	-	-	-	-	-	Department of Accounting, Shih Chien University Assistant Manager of KPMG Assistant Manager of Phonic Corporation	-	-	-	-	-
Auditor Assistant Manager	Ku, Hui-Chien	Female	R.O.C	2016/05/10	-	-	-	-	-	-	Shih Chien University Audit Section Manager of Premier Technology Co., Ltd. Audit Junior Manager of Hon Hai Precision Ind. Co., Ltd.	-	-	-	-	-

Note 1 : The company has a succession training plan. Use the talent pool of personnel in key positions as the training, select the successor to take over board of directors and for key positions. The company has three independent directors, more than half of the directors are not concurrently employees or managers.

2.1.3 Remuneration of Directors, Supervisors, President, and Vice Presidents

1.Directors, presidents and executive vice presidents remuneration in the latest year

(1)Remuneration of Directors (including independent Directors)

Unit: NT\$ thousands

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Compensation Paid to Directors from non-consolidated affiliates
		Base Compensation (A)		Severance Pay (B)		Directors Compensation (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)						
		From ESON	From all Consolidated Entities	From ESON	From all Consolidated Entities	From ESON	From all Consolidated Entities	From ESON	From all Consolidated Entities	From ESON	From all Consolidated Entities	From ESON	From all Consolidated Entities	From ESON	From all Consolidated Entities	Cash	Stock	Cash	Stock	From ESON	From all Consolidated Entities	
Chairman	Ace Progress Holdings Limited Representative : Tsai, Chia-Hsiang	-	-	-	-	595	595	30	30	625 0.11	625 0.11	1,800	1,800	-	-	-	-	-	-	2,425 0.43	2,425 0.43	-
Director	Ace Progress Holdings Limited Representative : Huang, Hsin-Feng	-	-	-	-	595	595	15	15	610 0.11	610 0.11	1,528	1,528	-	-	267	-	267	-	2,405 0.42	2,405 0.42	-
Director	Golden Harvest Management Limited Representative : Lee, Kuang-Yao	-	-	-	-	595	595	15	15	610 0.11	610 0.11	-	-	-	-	-	-	-	-	610 0.11	610 0.11	-
Director	Golden Harvest Management Limited Representative : Lee, Wei-Kang	-	-	-	-	595	595	30	30	625 0.11	625 0.11	-	-	-	-	-	-	-	-	625 0.11	625 0.11	-
Independent Director	Kao, Chih-Chien	-	-	-	-	595	595	30	30	625 0.11	625 0.11	-	-	-	-	-	-	-	-	625 0.11	625 0.11	-
Independent Director	Jang, Woan-Shiuan	-	-	-	-	594	594	15	15	609 0.11	609 0.11	-	-	-	-	-	-	-	-	609 0.11	609 0.11	-
Independent Director	Lee, Chien-Ming	-	-	-	-	594	594	25	25	619 0.11	619 0.11	-	-	-	-	-	-	-	-	619 0.11	619 0.11	-

1. Illustrate the remuneration policies, system, standards and structure for independent directors, and describe the relevance of the amount of remuneration with its responsibilities, risks, engaged time and other factors:

The remuneration policy for independent directors of the company is determined annually by the Compensation Committee after reviewing their responsibilities, contribution value to operations, and referencing industry standards. The committee submits recommendations to the board of directors for approval.

2. In addition to the above remuneration, director remuneration shall be disclosed as follows when received from companies included in the consolidated financial statements and reinvestment companies in the most recent year to compensate directors for their services, such as being independent contractors.: None

Note1 : Remuneration distributed from the 2024 annual surplus is the proposed number, which shall take effect following resolution of the shareholders' meeting on June 20, 2025.

Note2 : The proposed number for employee compensation is calculated based on the actual allotment ratio from last year.

(2)Remuneration of Supervisor : The company set up an audit committee, no supervisor

2.Remuneration of the President and Vice Presidents

Unit: NT\$ thousands

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D)				Ratio of total compensation (A+B+C+D) to net income (%)		Remuneration received from all investee companies (other than subsidiaries) or the parent company
								From ESON		From all Consolidated Entities				
		From ESON	From all Consolidated Entities	From ESON	From all Consolidated Entities	From ESON	From all Consolidated Entities	Cash	Stock	Cash	Stock	From ESON	From all Consolidated Entities	
President	Lin, Yu-Chuan	-	12,748	-	-	-	10,650	6,655	-	6,655	-	6,655	30,053	-
Vice President	Chou, Cheng-Chang													
Vice President	Hsiao, Hao-Chou													
Vice President	Tsai, Jia-Hua													
Chief Financial Officer	Lin, You-Ching													

Note 1 : The proposed number for employee compensation is calculated based on the actual allotment ratio from last year.

Remuneration Bracket

Range of Remuneration	Name of President and Vice Presidents	
	From ESON	From all Consolidated Entities
Below NT\$1,000,000		
NT\$1,000,000 (Incl.) ~ NT\$2,000,000 (Excl.)	Lai, An-Sheng 、Huang, Hsin-Feng	Lai, An-Sheng 、Huang, Hsin-Feng
NT\$2,000,000 (Incl.) ~ NT\$3,500,000 (Excl.)	Chou, Cheng-Chang	Chou, Cheng-Chang
NT\$3,500,000 (Incl.) ~ NT\$5,000,000 (Excl.)	Lin, You-Ching	Lin, You-Ching
NT\$5,000,000 (Incl.) ~ NT\$10,000,000 (Excl.)	Tsai, Jia-Hua 、Hsiao, Hao-Chou 、Lin, Yu-Chuan	Tsai, Jia-Hua 、Hsiao, Hao-Chou 、Lin, Yu-Chuan
NT\$10,000,000 (Incl.) ~ NT\$15,000,000 (Excl.)		
NT\$15,000,000 (Incl.) ~ NT\$30,000,000 (Excl.)		
NT\$30,000,000 (Incl.) ~ NT\$50,000,000 (Excl.)		
NT\$50,000,000 (Incl.) ~ NT\$100,000,000 (Excl.)		
Over NT\$100,000,000		
Total	7 People	7 People

3. Remuneration to the Five Highest Remunerated Management Personnel

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D)				Ratio of total compensation (A+B+C+D) to net income (%)		Remuneration received from all investee companies (other than subsidiaries) or the parent company
		From ESON	From all Consolidated Entities	From ESON	From all Consolidated Entities	From ESON	From all Consolidated Entities	From ESON		From all Consolidated Entities		From ESON	From all Consolidated Entities	
President	Lin, Yu-Chuan	-	2,760	-	-	-	4,000	1,740	-	1,740	-	1,740 0.31	8,500 1.50	-
Vice President	Hsiao, Hao-Chou	-	3,945	-	-	-	2,400	1,200	-	1,200	-	1,200 0.21	7,545 1.33	-
Vice President	Tsai, Jia-Hua	-	2,402	-	-	-	2,670	1,600	-	1,600	-	1,600 0.28	6,672 1.18	-
Chief Financial Officer	Lin, You-Ching	-	2,162	-	-	-	800	1,340	-	1,340	-	1,340 0.24	4,302 0.76	-
Vice President	Chou, Cheng-Chang	-	1,000	-	-	-	-	1,300	-	1,300	-	1,300 0.23	2,300 0.41	-

4. Employees' Compensation of the Management Team

	Title	Name	Employee Compensation - in Stock (Fair Market Value)	Employee Compensation - in Cash	Total	Ratio of Total Amount to Net Income (%)
Executive Officers	President	Lin, Yu-Chuan	-	7,180	7,180	1.26
	Vice President	Chou, Cheng-Chang				
	Vice President	Hsiao, Hao-Chou				
	Vice President	Tsai, Jia-Hua				
	Chief Financial Officer	Lin, You-Ching				

Note : As of the date of printing of the annual report, the list of distribution of employees' compensation has not yet been decided. According to the regulations, the proposed number of allotments this year will be calculated according to the actual distribution ratio from last year.

2.1.4 Compare and state the ration of total remuneration paid to the Company's Directors, President and Vice Presidents by the company and the companies in the consolidated financial statements to net income in the past two years. Please also describe the policy, criteria, packages, and rules relation to the remuneration, as well as its relation to business performance and future risks.

1. The ratio of total remuneration paid by the Company and by all companies included in the consolidated financial statements for the two most recent fiscal years to directors, president, and vice presidents of the Company, to the net income.

Unit: NT\$ thousand

Item	The ratio of total remuneration paid by the Company and by all companies included in the consolidated financial statements							
	2024 Year				2023 Year			
	From ESON		From all Consolidated Entities		From ESON		From all Consolidated Entities	
	Amount	Ratio of Total Amount to Net Income (%)	Amount	Ratio of Total Amount to Net Income (%)	Amount	Ratio of Total Amount to Net Income (%)	Amount	Ratio of Total Amount to Net Income (%)
Director	7,918	1.40%	7,918	1.40%	6,624	1.11%	6,624	1.11%
Presidents and Vice Presidents	6,655	1.17%	30,053	5.31%	3,983	0.67%	18,286	3.06%

The total remuneration for directors and vice presidents and above in 2024 has increased compared to 2023, mainly due to two vice presidents who took office for less than a year in 2023 and the addition of one vice president in 2024.

2. The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with risks and business performance.

(I) The policies and standards of paying remunerations, and packages of remuneration:

1. The Company has established a Remuneration Committee with all independent directors serving as members. The remuneration policy for directors and managers is based on their responsibilities, the value of their contribution from participation in operations, and references the Company's business performance and industry standards. Their remuneration is periodically determined each year and reviewed by the Remuneration Committee, and recommendations are submitted to the Board of Directors for resolution. The remuneration evaluation process takes into account business performance and risks.
2. In addition, if the Company makes a profit in the current year, according to the Company's Articles of Incorporation, 2%-8% of the profit shall be allocated as employee bonuses and no more than 0.5% as directors' remuneration. The results of performance evaluations conducted by the Company in accordance with the "Performance Management Regulations" are referenced when distributing bonuses to managers. Manager performance evaluation items are divided into 1. Financial indicators: The contribution of each business group to the Company's profits based on the Company's profit and loss statement, and the manager's target achievement rate is also referenced. 2. Non-financial indicators: The remuneration for business performance is calculated based on two parts, ability to practice the Company's core values and manage operations, and participation in sustainability management. The remuneration system is reviewed at any time based on the actual business conditions and relevant laws and regulations.

(II) Procedure for determining remuneration:

The reasonableness of performance evaluations and remuneration of the Company's directors and managers are periodically reviewed by the Remuneration Committee and the Board of Directors each year. Besides considering the achieving rate of individual performance targets and contribution to the Company, the Company's overall business performance, as well as future risks and development trends of the industry are also taken into consideration. The remuneration system is reviewed based on the business situation and relevant laws and regulations whenever appropriate. Reasonable remuneration is determined after considering current corporate governance trends, in order to achieve a balance between the Company's sustainable development and risk management. The actual amount of remuneration paid to directors and managers in 2024 was reviewed by the Remuneration Committee and then submitted to the Board of Directors for a decision.

(III) Connection with business performance and future risk:

The remuneration evaluation process takes into account business performance and risks.

2.2 Implementation of Corporate Governance

2.2.1 Board of Directors

1. A total of 6(A) meetings of the Board of Directors were held in 2024. The attendance of director were as follows

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Chairman	Ace Progress Holdings Limited Representative : Tsai, Chia-Hsiang	6	-	100.00	-
Director	Ace Progress Holdings Limited Representative : Hsiung Ping-Cheng	1	1	50.00	Note1
Director	Ace Progress Holdings Limited Representative : Huang, Hsin-Feng	4	-	100.00	Note1
Director	Golden Harvest Management Limited Representative : Lee, Kuang-Yao	3	3	50.00	-
Director	Golden Harvest Management Limited Representative : Lee, Wei-Kang	6	-	100.00	-
Independent director	Kao, Chih-Chien	6	-	100.00	-
Independent director	Jang, Woan-Shiuan	4	-	100.00	Note1
Independent director	Lin, Chih-Chung	6	-	100.00	-
Independent director	Lee, Chien-Ming	2	-	100.00	Note1

Note 1: On June 19, 2024, the sixth board of directors was re-elected. The new directors include Huang, Hsin-Feng and Jang, Woan-Shiuan. The original fifth director, Hsiung Ping-Cheng and Lin, Chih-Chung, expired and will not continue to be elected.

2. Other mentionable item

A. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response should be specified

(1) Matters referred to in Article 14-3 of the Securities and Exchange Act.

Meeting Date	The resolutions	Matters listed in Article 14-3 of "Securities and Exchange Act"	Independent Director had a dissenting opinion or qualified opinion
2024.03.13	1.The capital reduction of USD 8,900,000 in Grand Liberty Co., Ltd.	✓	None
	2.Amendments to the Company's "Operational Procedures for Loaning Funds to Other Parties".	✓	None
	Opinions of Independent directors : None		
	Company's treatment of the opinions. : None		
2024.05.08	1.Proposal for appointing the Company's certified public accountants and determine fees	✓	None
	2.Approved the case of signing a house lease contract between the company and the related person Tsai, Chia-Hsiang.	✓	None
	Opinions of Independent directors : None		
	Company's treatment of the opinions. : None		
2025.03.12	1.Approving of Amendments to the Company's "Articles of Incorporation".	✓	None
	Opinions of Independent directors : None		
	Company's treatment of the opinions. : None		

(2) Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the board of directors: None

B. If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified:

Meeting Date	Contents of motion	Directors' name	Causes for avoidance	Voting should be specified
2024.05.08	Approved the case of signing a house lease contract between the company and the related person Tsai, Chia-Hsiang.	Tsai, Chia-Hsiang		Not participating in discussions and voting
2024.08.24	Remuneration of employees and directors	All directors	Due to concerns over directors' remuneration, the directors present recused themselves from their personal interests in directors' remuneration.	Not participating in discussions and voting
2025.03.12	Remuneration Proposal for the Members of the Company's Sustainable Development Committee	Lee, Chien-Ming		Not participating in discussions and voting

C. TWSE/TPEX listed companies shall disclose information such as evaluation cycle and period, evaluation scope, method and content of evaluation of the self-evaluation (or peer evaluation) of the Board of Directors:

(1) Evaluation implementation status of the Board of Directors:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Once per year	2024.1.1-2024.12.31	Performance evaluation of the overall board of directors, individual board members, and functional committees (audit committee and remuneration committee)	Internal evaluation of the board. Self-evaluation by individual board members.	(Note 1)

Note 1: Evaluation content as follow:

(1) The Company shall take into consideration its condition and needs when establishing the criteria for evaluating the performance of the board of directors, which should cover, at a minimum, the following five aspects:

- 1.Participation in the operation of the company;
- 2.Improvement of the quality of the board of directors' decision making;
- 3.Composition and structure of the board of directors;
- 4.Election and continuing education of the directors; and
- 5.Internal control.

(2) The criteria for evaluating the performance of the board members (on themselves or peers), should cover, at a minimum, the following six aspects:

- 1.Alignment of the goals and missions of the company;
- 2.Awareness of the duties of a director;
- 3.Participation in the operation of the company;
- 4.Management of internal relationship and communication;
- 5.The director's professionalism and continuing education; and
- 6.Internal control.

(3) The criteria for evaluating the performance of functional committees should cover, at a minimum, the following five aspects:

- 1.Participation in the operation of the company;
- 2.Awareness of the duties of the functional committee;
- 3.Improvement of quality of decisions made by the functional committee;
- 4.Makeup of the functional committee and election of its members and
- 5.Internal control.

D. Measures taken to strengthen the functionality of the board: The Board of Directors has established an Audit Committee and a Remuneration Committee to assist the board in carrying out its various duties.

(1) Strengthening the functionality of the board of Directors

- (a) The Board complies with the “Rules Governing the Conduct of Board Meetings” which has been established according to statutory regulations.
- (b) The company elected three independent directors on December 31,2012. The Board also has established an Audit committee to assist the board in carrying out its various duties.

(2) Improve information transparency of the board of Directors: The company has spokesman and deputy spokesman to deal with suggestions from shareholders and appointed personnel in charge of disclosing the Market Observation Post system (MOPS)

2.2.2 Audit Committee

The Audit Committee assists the Board in fulfilling its oversight of the quality and integrity of the

accounting, auditing, reporting, and financial control practices of the Company.

The Audit committee is responsible to review the following major matters:

- (1) The adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
- (2) Assessment of the effectiveness of the internal control system.
- (3) The adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of Funds to Other Parties, and endorsements or guarantees for others.
- (4) Matters in which a director is an interested party.
- (5) Asset transactions or derivatives trading of a material nature.
- (6) Loans of funds, endorsements, or provision of guarantees of a material nature.
- (7) The offering, issuance, or private placement of equity-type securities.
- (8) The hiring or dismissal of a certified public accountant, or their compensation.
- (9) The appointment or discharge of a financial, accounting, or internal audit officer.
- (10) Annual and semi-annual financial reports.
- (11) Other material matters as may be required by this Corporation or by the competent authority.

1.A total of 4 (A) Audit Committee meetings were held in 2023. The attendance of the independent directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Independent director	Kao, Chih-Chien	5	-	100.00	-
Independent director	Jang, Woan-Shiuan	3	-	100.00	Note 1
Independent director	Lee, Chien-Ming	5	-	100.00	-
Independent director	Lin, Chih-Chung	2	-	100.00	Note 1

Note 1: On June 19, 2024, the sixth board of directors was re-elected. The new directors include Jang, Woan-Shiuan. The original fifth director, Lin, Chih-Chung, expired and will not continue to be elected.

2.Other mentionable items:

1.If any of the following circumstances occur, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company's response to the Audit Committee's opinion should be specified:

(1)Matters referred to in Article 14-5 of the Securities and Exchange Act.

Date	The resolutions	Matters listed in Article 14-5 of Securities and Exchange Act	Any resolution which was not approved by the Audit Committee but was approved by two-thirds or more of all Directors	Independent directors' objections, reservations or major suggestions
2024.03.13	1.The Company's 2023 business report and consolidated financial statements.	✓	None	None
	2.Approving 2023 Assessment of the effectiveness of the internal control system and Statement of Internal Control System.			
	3.Amendments to the Company's "Operational Procedures for Loaning Funds to Other Parties".			
	4.The capital reduction of USD 8,900,000 in Grand Liberty Co., Ltd.			
	Resolution of Audit Committee: The Audit Committee unanimously approved the proposal.			
	The Company's response to the opinions from Audit Committee: The Board unanimously approved the proposal.			
2024.08.27	1.The Company's consolidated financial statements for the six months ended June 30,2023.	✓	None	None
	Resolution of Audit Committee: The Audit Committee unanimously approved the proposal.			
	The Company's response to the opinions from Audit Committee:			

Date	The resolutions	Matters listed in Article 14-5 of Securities and Exchange Act	Any resolution which was not approved by the Audit Committee but was approved by two-thirds or more of all Directors	Independent directors' objections, reservations or major suggestions
	The Board unanimously approved the proposal.			
2025.03.12	1.The Company's 2024 business report and consolidated financial statements.	✓	None	None
	2.Approving 2024 Assessment of the effectiveness of the internal control system and Statement of Internal Control System.			
	Resolution of Audit Committee: The Audit Committee unanimously approved the proposal.			
	The Company's response to the opinions from Audit Committee: The Board unanimously approved the proposal.			

(2)Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors : None

2.If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified : None

3.Communications between the independent directors, the Company's chief internal auditor and CPAs (e.g. the material items, methods and results of audits of corporate finance or operations, etc.) : The company set up an audit committee on October 31,2012. The Internal Auditors have sent the audit reports to the members of the Audit Committee periodically to improve information transparency. The Independent Directors examine the financial statements periodically. The communication channel between the Audit Committee and the Independent Auditors functioned well.

The communications between the independent directors, the internal auditors and the independent auditors are listed in the table below :

Date	Communications between the Independent Directors and the Internal Auditors	Communications between the Independent Directors and the Independent Auditors
2024.03.13	Reviewing the Internal Auditor's report Reviewing and approving 2023 Statement of Internal Control System	Reviewing key audit matters Reviewing regulatory developments
2024.05.08	Reviewing the Internal Auditor's report	Reviewing key audit matters Reviewing regulatory developments
2024.08.27	Reviewing the Internal Auditor's report	Reviewing key audit matters Reviewing regulatory developments
2024.11.11 (Pre-meeting)	Group Audit Human Resources Report Review of Group Audit Matters for 2024	Matters Communicated with Independent Directors in 2024
2025.03.12	Reviewing the Internal Auditor's report Reviewing and approving 2024 Statement of Internal Control System	Reviewing key audit matters Reviewing regulatory developments

2.2.3 Corporate Governance Implementation Status and Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies

Evaluation Item	Implementation Status ¹			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1.Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	✓		The company formulated and duly disclosed corporate governance best practice principles pursuant to the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies “. Corresponding norms and regulations are observed and implemented in accordance with the spirit of corporate governance. In the future, the company will continue to strengthen information transparency and board functionality through the amendment of relevant management regulations with the goal of promotion corporate governance.	No deviation
2.Shareholding structure & shareholders’ rights				
(1) Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure?	✓		(1) The Company has designed the specialist to handle shareholders’ suggestions, disputes, etc. and coordinate the relevant departments for implementation.	No deviation
(2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	✓		(2) Stock service agency organization can be used to provide actual information and keep track of the shares held by directors, managers and shareholders who own more than 5% of shares.	No deviation
(3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	✓		(3) All affiliates are independently responsible for the management of their assets and finances in accordance with the internal control system of the company to ensure the implementation of the risk control and firewall mechanism.	No deviation
(4) Does the company establish internal rules against insiders trading with undisclosed	✓		(4) The company has formulated “Procedures for Ethical Management and Guidelines for Conduct “against insiders trading with undisclosed.	No deviation
3.Composition and Responsibilities of the Board of Directors				
(1) Does the Board established a diversity policy, specific management goals and implemented it accordingly?	✓		(1) The board has formulated diversified policies with regard to membership composition. The company has also established three independent director positions. Kao, Chih-Chien, Lee, Chien-Ming and Jang, Woan-Shiuan currently serve as independent directors. Lin, Chih-Chung has a legal background, while Kao, Chih-Chien is a finance and accounting specialist and Lee, Chien-Ming has professor of department of Resource management background. The three independent directors set up household registration in Taiwan. The company disclose the Board develop a diversified policy for the	No deviation °

Evaluation Item	Implementation Status ¹			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?		✓	composition of its members on its website and the Market Observation Post System (MOPS) (2) The company establish the Remuneration Committee and the Audit Committee and will consider adding ones while it is necessary in the future.	No deviation
(3) Does the company establish a standard to measure the performance of the Board, and implement it annually, report the results of the performance appraisal to the board of directors and apply the results for reference regarding individual directors’ remuneration and re-appointments	✓		(3) The company has formulated rules procedures for governing the board performance evaluation on March. 22,2019. The board committee's charters shall be subject to review at least once a year as part of the Company's regulations governing performance evaluation for internal committees. Internal board performance evaluations shall be completed before the end of the first quarter of the following year. The company shall take into consideration its condition and needs when establishing the criteria for evaluating the performance of the board of directors, which should cover, at a minimum, the following five aspects: 1.Participation in the operation of the company; 2.Improvement of the quality of the board of directors' decision making; 3.Composition and structure of the board of directors; 4.Election and continuing education of the directors; and 5.Internal control. The criteria for evaluating the performance of the board members (on themselves or peers), should cover, at a minimum, the following six aspects: 1.Alignment of the goals and missions of the company; 2.Awareness of the duties of a director; 3.Participation in the operation of the company; 4.Management of internal relationship and communication; 5.The director's professionalism and continuing education; and 6.Internal control. The criteria for evaluating the performance of functional committees should cover, at a minimum, the following five aspects: 1.Participation in the operation of the company;	No deviation

Evaluation Item	Implementation Status ¹			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>2.Awareness of the duties of the functional committee; 3.Improvement of quality of decisions made by the functional committee; 4.Makeup of the functional committee and election of its members and 5.Internal control.</p> <p>The units performing evaluations will collect information about the activities of the board of directors and distribute self-evaluation questionnaires. When electing or nominating members of the board of directors, the Company shall base its election on the evaluation results of the performance of the board and shall base its determination of an individual director's remuneration on the evaluation results of his or her performance.</p> <p>The unit responsible for evaluation or the secretariat of the board will collect all information, give scores based on the evaluation, record the evaluation results in a report, and submit the report to the board of directors for discussion and improvement.</p> <p>The 2024 board performance evaluation is carried out by the Secretariat of the Board (STB) in early 2025. STB collect related information about activities of the board of Directors and distribute “the Questionnaire of self-Evaluation of Performance of the Board “to Board members for self-evaluation. The evaluation period is from Jan. 1 to Dec. 31, 2024, the evaluation scoop includes whole board of directors, individual board members, and functional Committee: Audit committee and Remuneration Committee. When nomination members of the board of directors, the company will base its election on the evaluation results of individual Board member.</p> <p>Board Report Evaluation Results on March 12, 2025.Based on the performance evaluation results of the Board of Directors for the year 2024, the self-assessment of the Board of Directors' performance, the Audit Committee's self-assessment of performance, the Compensation Committee's self-assessment of performance, the self-assessment of the Board members' performance, the self-assessment of the Audit Committee members' performance, and the self-assessment of the Compensation Committee members' performance have all</p>	

Evaluation Item	Implementation Status ¹			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(4) Does the company regularly evaluate the independence of CPAs?	✓		<p>achieved a score of 4 or above, which is rated as “very good”.(1poor,2fair,3good,4very good,5excellent)</p> <p>(4) The Committee requires that the signing accountants provide a "Statement of Independence" and "Audit Quality Indicators (AQIs)" and evaluate the accountants based on the standards of the questionnaire and AQI indicators. It is confirmed that the accountants have no other financial interests or business relationships with the Company other than fees for signing and tax cases, and that their family members do not violate independence requirements. Based on AQI information, the Committee confirms that the accountants and their firm have better audit experience and training hours than the industry standard. Furthermore, the Company will continue to introduce digital auditing tools to enhance audit quality. Evaluation results are be reported to the Audit Committee and Board of Directors on March 12, 2025 for their review and approved accordingly.</p>	No deviation
4.Does the TWSE/TPEX listed company been equipped with competent and appropriate numbers of corporate governance personnel, and designated a CGO responsible for corporate governance-related affairs (including but not limited to providing directors and supervisors with the information required for business execution, assisting directors and supervisors with legal compliance, handling matters related to board meetings and shareholders meetings in accordance with the law, and producing meeting minutes for board of directors meetings and shareholders meetings)?	✓		<p>The company appointed Liu, Li-Ling of Manager for a chief corporate governance officer by the board of directors on March 19, 2020. The governance officer Liu, Li-Ling shall be a qualified for at least three years in a public company in handling legal affairs, financial affairs, stock affairs, or corporate governance affairs.</p> <p>It is required that the corporate governance affairs mentioned include handling matters relating to board meetings and shareholders meetings according to laws, producing minutes of board meetings and shareholders meetings, assisting in onboarding and continuous development of directors and supervisors, furnishing information required for business s execution by directors and supervisors, assisting directors and supervisors with legal compliance, reporting the nomination, election, and appointment of independent directors and whether their qualifications comply with all relevant laws and regulations to the board, handle matters related to the change of directors, and other matters set out in the articles of incorporation or contracts.</p> <p>The main duties of this year are as follows.</p>	No deviation

Evaluation Item	Implementation Status ¹			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<ol style="list-style-type: none"> 1. Develop appropriate corporate mechanisms and organizational structures to promote the independence of the board of directors, and fulfillment of operation transparency, regulatory compliance, and internal audit of internal control. ° 2. Consult director’s opinions before planning and formulating the board meeting agenda, and notify all directors to attend the meeting with sufficient meeting information provided at least even days before the meeting held in order to help directors understand the content of relevant issues. If the content is related the interested parties and should Be avoided at least seven days before the meeting held in order to help directors understand the content of relevant issues. If the content is related to the interested parties and should be avoided, they will be reminded beforehand. 3. Register the date of annual shareholder’s meeting before due date in accordance with law, and report meeting notice, meeting manual and meeting minute before deadline, as well as report the change of registration upon the amendment of articles and re-election of directors. 4. Revies the annual corporate governance appraisal index published by corporate governance center, and screen item-by-item to ensure the achievement. <p>The corporate governance affairs training records: Note 2</p>	
5.Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	✓		The company has established a stakeholder section on the company has established a stakeholder identity, issues which have been concerned by major stakeholders and provide the channel for communication.	No deviation
6.Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		The Company engaged Registrar & transfer Agency department of Grand Fortune Securities Co., Ltd. to host annual general shareholders’ meeting.	No deviation
7.Information Disclosure (1) Does the company have a corporate website to disclose both financial standings and the status of	✓		(1) The company has set up a website to disclose information regarding the company’s financials and business.	No deviation

Evaluation Item	Implementation Status ¹			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
corporate governance?				
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	✓		(2) The company has set up a Chinese/English website to disclose financials, business and corporate governance status. The company has established a spokesman system. Investor conference information is disclosed on the corporate website according to the regulation of TWSE.	No deviation
(3) Does the Company announce and report the annual financial report as early as possible within two months after the end of the fiscal year, and announce and report the first, second and third quarter financial reports and the operating status of each month as early as possible before the required deadlines?		✓	(3) The company announces and reports annual financial statements, Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit.	To announce and report financial reports before the required deadlines.
8. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	✓		<p>(1) The Company emphasizes employee rights and open communication channels, and provides ample education training and reasonable compensation and welfare measures. °</p> <p>(2) The Company maintains open communication channels and information exchange for investors and other stakeholders, and respects and protects their entitled rights and interests.</p> <p>(3) The Company maintains a good relationship with both suppliers and customers and seeks mutually beneficial growth through cooperation.</p> <p>(4) The Company has established various internal control systems and internal management rules in accordance with laws and regulations. The audit room submits an audit plan based on risk assessment to the Board of Directors for approval. The actual audit situation and report are submitted to the audit committee for review. In addition, after completing the internal control self-assessment for the year, the relevant departments of the Company will report a statement on internal control on a yearly basis according to the Taiwan Stock Exchange and disclose the statement in the annual report of the shareholders' meeting.</p> <p>(5) The company annually purchases insurance for directors. The company didn't set up supervisors.</p>	No deviation

Evaluation Item	Implementation Status ¹			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			(6) Directors’ training records : Note 3.	

9.Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures.

(1) Situation after Improvement:

Item	Evaluation Item	Specific Improvements
1.18	Whether the company records the important content of shareholders’ questions and the company’s replies in the minutes of shareholders’ regular meetings?	The company will record shareholders’ questions and the company’s responses in the minutes of the 2024 regular meeting.
2.16	Whether the company’s board of directors contains at least one female director ?	The company’s list of directors to be re-elected in 2024 includes a female director

(2) Measures Adopted for Improvement:

Item	Evaluation Item	Specific Improvements
1.19	Does the company provide a live online broadcast of the shareholders' meeting or upload a complete, unedited audio and video recording after the meeting?	The notice of the 2025 shareholders' meeting will specify the live-streaming URL or include instructions on how to access the online broadcast.
2.24	Has the company established a comprehensive information and communications security (Infocom) risk management framework, formulated corresponding security policies and concrete management measures, allocated adequate resources for Infocom security, and disclosed such practices through its official website or annual report?	The company will disclose information on cybersecurity personnel allocation, cybersecurity-related expenditures, and the number of meetings held in its 2024 annual report.

Note 1 : Assessment criteria of accountant's independence

Assessment	Assessment Result(Y/N)	Independence(Y/N)
Does the designated accountant not have direct or indirect financial interest relationship with the Company?	N	Y
Does the designated accountant have a financing or guarantee relationship with the Company or any director of the Company?	N	Y
Does the designated accountant have close business relationship or potential employment relationship with the Company?	N	Y
Does / Did the designated accountant currently/ in the recent two years serve as a director, manager of the Company or play a role having significant influence on the audit case?	N	Y
Does the non-audit service that the firm of the designated accountant offered to the Company not have direct influence on any important items of the audit case?	N	Y
Does the designated accountant promote or act as an intermediate for the shares or other securities issued by the Company?	N	Y
Does the designated accountant serve as the advocate of the Company nor as the representative of the Company to mediate the dispute between the Company and any third party?	N	Y
Does the designated accountant have kinship with any director, supervisor, or manager of the Company or the person having significant influence on the audit service?	N	Y
The CPA receives any kind of commission	N	Y
The CPA provides other non-attestation services that affect his or her independence	N	Y

Note 2 : The corporate governance affairs training records:

Title	Name	Study period	Training hours	Sponsoring Organization	Course
Chief Corporate Governance Officer	Liu, Li-Ling	2024.02.23	3	Corporate Operation and Sustainable Development Association	Corporate Governance and Securities Regulations
		2024.08.16	3	Accounting Research and Development Foundation	ESG Development Trends and Sustainability Information Disclosure Regulations
		2024.09.05	6	Accounting Research and Development Foundation	How to Enhance Internal Control Effectiveness through Robotic Process Automation (RPA)

Note 3 : Directors' training records:

Title	Name	Study period	Training hours	Sponsoring Organization	Course
Director of Representative and Chairman	Tsai, Chia-Hsiang	2024.12.17	3	Greater China Financial and Economic Development Association	Trump 2.0: Challenges to the World
		2024.12.05	3	"	Global and Taiwan Economic Outlook
Director of Representative	Huang, Hsin-Feng	2024.10.04	3	Securities & Futures Institute	Insider Trading Prevention Seminar
		2024.09.24	12		Practical Workshop for Directors, Supervisors (including Independent) and Corporate Governance Officers - Taipei Class
Director of Representative	Lee, Kuang-Yao	2024.12.17	3	Accounting Research and Development Foundation	Preparation and Supervision of Sustainability Reports
		2024.11.16	3		Common Issues in Financial Statement Reviews and Asset Acquisition/Disposition
Director of Representative	Lee, Wei-Kang	2024.12.12	3	Securities & Futures Institute	Board of Directors, Supervisors, and Corporate Governance Officer Series - Shareholders' Meeting, Management Control, and Equity Strategy
		2024.12.05	3	"	Board of Directors, Supervisors, and Corporate Governance Officer Series - Review of M&A Human Resources and Company Restructuring Issues
Independent director	Jang, Woan-Shiuan	2024.10.04	3	Securities & Futures Institute	Insider Trading Prevention Seminar
		2024.07.30	12	"	Practical Workshop for Directors, Supervisors (including Independent) and Corporate Governance Officers - Taipei Class (repeated)
Independent director	Kao, Chih-Chien	2024.09.10	3	The National Federation of CPA Associations of the R.O.C.	Sustainable Internal Control Overview
		2024.09.05	3	"	How to Build Effective Anti-Money Laundering and Counter-Terrorism Financing Systems
Independent director	Lee, Chien-Ming	2024.12.01	3	Accounting Research and Development Foundation	Latest Practical Analysis of ESG Sustainability Policies and Regulations Related to "Annual Report Preparation"
		2024.11.30	3	"	Sustainability Policies and Corporate Governance

2.2.4 Composition, Responsibilities and Operations of the Remuneration Committee

1. The Remuneration Committee consists of three Independent Directors with approval by the board of directors on April 30, 2013. The members evaluate and determine the remuneration of directors and managers.

Professional Qualifications and Independence Analysis of Remuneration Committee Members

Condition Name	Professional qualifications and Experiences	Independence status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director	Note
Independent Director Kao, Chih-Chien (Convener)	Please refer to 4. Disclosure of information on professional qualifications of directors and independence of independent directors on page 12 for the relevant content.	All of the following situations apply to each and every of the Independent Directors: 1. Satisfy the requirements of Article 14-2 of "Securities and Exchange Act" and "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by Taiwan's Securities and Futures Bureau 2. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any Eson shares 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an "audit service" or a "non-audit service"	-	-
Independent Director Jang, Woan-Shiuan			2	-
Independent Director Lee, Chien-Ming			-	-

2. The Remuneration Committee charter has the approval by the board of directors on April 30, 2013. The Remuneration Committee shall perform the following functions honestly with due diligence and submit their motions to the Board of Directors for discussion.

- (1) Determine and periodically review the performance appraisal on directors and managers, and remuneration policy, system, standard and structure.
- (2) Periodically evaluate and determine the remuneration for directors and managers.

3. A total of 4 (A) Remuneration Committee meetings were held in the previous period. The attendance record of the Remuneration Committee members was as follows.

- (1) The Remuneration Committee consists of three Independent Directors.

- (2) The tenure of office is from July 7, 2021 to July 6, 2024.

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%) 【 B / A 】	Remarks
Convener	Kao, Chih-Chien	5	-	100.00	-
Committee Member	Lin, Chih-Chung	2	-	100.00	Note 1
Committee Member	Lee, Chien-Ming	5	-	100.00	-
Committee Member	Jang, Woan-Shiuan	3	-	100.00	Note 1

Note 1: On June 19, 2024, the sixth board of directors was re-elected. The new directors include Jang, Woan-Shiuan. The original fifth director, Lin, Chih-Chung, expired and will not continue to be elected.

(3) Other mentionable items:

- A. If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (e.g., the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None.
- B. Resolutions of the remuneration committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.
- C. The resolutions of the Remuneration Committee and the Company's response to the Audit Committee's opinion should be specified in recent year

Date	The resolutions	Remuneration Committee resolutions	The Company's handling of the opinions of the Remuneration Committee
2024.03.12	1. 2023 Remuneration of employees and directors	Unanimously approved by all the members in attendance	Submitted to the Board of Directors for approval by all the directors in attendance
2024.06.20	1. Proposal for the Election of the Convener of the 6th Remuneration Committee of the Company	Unanimously approved by all the members in attendance	Submitted to the Board of Directors for approval by all the directors in attendance
	2. Remuneration Proposal for the Newly Appointed Executive Director, Huang, Hsin-Feng		
2024.08.27	1. The remuneration of directors	Unanimously approved by all the members in attendance	Submitted to the Board of Directors for approval by all the directors in attendance
	2. Remuneration Proposal for the Promotion of Assistant Vice President Chou, Cheng-Chang to Vice President		
2024.11.11	1. 2023 Remuneration of management	Unanimously approved by all the members in attendance	Submitted to the Board of Directors for approval by all the directors in attendance
	2. The bonus of management		
2025.03.12	1. 2024 Remuneration of employees and directors	Unanimously approved by all the members in attendance	Submitted to the Board of Directors for approval by all the directors in attendance
	2. Remuneration Proposal for the Members of the Company's Sustainable Development Committee		

2.2.5 Fulfillment of CSR and Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
<p>1.Does the Company establish a governance structure to promote sustainable development, established a dedicated (part-time) unit to promote sustainable development; and did the Board of Directors authorize senior management to handle it and report the supervisory status to the Board of Directors? (implementation, not compliance or interpretation)</p>		✓	<p>1. The Company's implementation of matters related to sustainable development are coordinated by the by the Sustainability Development Department, with Chief Financial Officer Mr. Lin, You Ching serving as the Chief Sustainability Officer. Comply with the operating concept of Plan, Do, Check, and Acting (P-D-C-A) to regularly assess response measures for sustainable development. Each quarter, executives propose strategic advancements to the board, who then evaluate the viability of successful strategies and review strategic development.</p> <p>2. The Sustainability Development Committee was established on November 11, 2024, consisting of three members: Director Tsai, Chia-Hsiang, Independent Director Lee, Chien-Ming, and Director Huang, Hsin-Feng. Their term of office runs from November 11, 2024 to June 18, 2027. Tsai, Chia-Hsiang serves as the convener.</p> <p>3. According to the content outlined in the Financial Supervisory Commission's "Sustainable Development Pathway for Listed Companies," our company reported the work items and schedule planning for greenhouse gas inventory verification to the board of directors on June 24, 2022. On November 8, the establishment of the Carbon Inventory Promotion Organization structure was reported to the board of directors, with Chairman Tsai, Chia-Hsiang serving as the management representative and CFO Lin, You Ching as the chief commissioner. They are responsible for overseeing and providing support for the coordination and allocation of resources for greenhouse gas inventory verification implementation.</p>	The company will implement such policy in accordance with applicable laws in the future.
<p>2.Does the company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies? (implementation, not compliance or interpretation)</p>		✓	<p>1. The Company conducts risk assessments for important issues based on the principle of materiality. Risk management policies or strategies are established according to evaluated risks as shown in the following:</p> <p>(1) Environment: Environmental protection and ecological conservation</p> <p>A. ISO 14064-1 : 2018 (Risk assessment boundaries are primarily based on Multiwin Precision Ind Pte. Ltd.)</p> <p>The carbon inventory for the Americas factories has been completed, and a greenhouse gas verification report opinion</p>	The company will implement such policy in accordance with applicable laws in the future.

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>letter has been issued by a third-party verification organization.</p> <p>B. ISO 14001 : 2015 (Risk assessment boundaries are primarily based on Kunshan Eson and include Eson Batu Pahat Precision Engineering Sdn. Bhd., Eson (VN) Precision Industry Co., Ltd., and Multiwin Precision Ind Pte. Ltd.)</p> <p>The Company has obtained ISO 14001:2015 certification for environmental management systems and complies with government laws and regulations, international conventions, and environmental regulations. The environmental management system is utilized in a manner that fits the characteristics and scale of the organization, and it is regularly reviewed and improved to publicly disclose the Company's implementation of environmental management.</p> <p>(2) Social responsibility:</p> <p>A.Product safety (Risk assessment boundaries are primarily based on Kunshan Eson Machinery Co., Ltd., and include Multiwin Precision Ind Pte. Ltd.)</p> <p>Products manufactured by the Company have passed and will continue to be maintained according to international quality management system certifications. The car product division has obtained IATF 16949: 2016 certification, the remaining product divisions have passed international quality management system ISO 9001: 2015 certification.</p> <p>(3) Corporate governance:</p> <p>Criteria established by the Company in accordance with the latest "Corporate Governance Evaluation" reviews and improves the Company's various operations and practices to comprehensively advance the quality of governance. The appropriate adjustments are made to the Company's internal management mechanisms through information provided by the competent authority and external consultants in the hopes of implementing the latest corporate governance trends into daily operations.</p>	
<p>3.Environmental issues</p> <p>(1) Does the company establish proper environmental management systems based on the characteristics of their industries?</p>	✓		<p>In order to perform effective environmental management systems, the Company's affiliated enterprises such as Kunshan ESON, Multiwin Mexico, and Eson Batupahat have each obtained ISO14001:2015 certification in environmental management systems to ensure that plants are operated in compliance with regulations.</p>	No deviation

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(2) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	✓		<p>1. The Company has obtained the environmental management system certification and implemented various energy conservation plans. We compiled statistics of resource use and management, thoroughly implementing energy conservation and recycling and reuse to reduce resource waste:</p> <ul style="list-style-type: none"> a. Lighting in the production workshop was replaced with light guide plate LED lamps to save energy and reduce carbon emissions. b. The dust disposal tower was modified to effectively suppress dust and prevent environmental pollution. c. Implemented dynamic balance testing of tap water and installed check valves to prevent water pollution and cherish water resources. d. The Company has built a 5MW distributed photovoltaic power station in the Kunshan Plant, and began use in May 2023. The plant consumed a total of 3,159,560 kWh of electricity generated by the photovoltaic power plant. The emission reduction benefits include: 1,036 tons of standard coal, 3,150 tons of carbon dioxide, 95 tons of sulfur dioxide, 47 tons of nitrogen oxides, and 4,107 tons of purified water. <p>2. The Company has implemented an environmental safety department responsible for the supervision of matters related to environmental management and industrial safety. The management rules have established "Management Standards for Environmental Substances" to ensure that all raw materials comply with regulations such as RoHS and REACH by directly managing raw materials with lower environmental impact at the source of production. By obtaining a IECQ compliant certification, the Company establishes rigorous systems to control hazardous substances and further reinforce the control and management of hazardous substances used in products.</p>	No deviation
(3) Does the Company assess the potential risks and opportunities climate change brings to the Company, now and in the future, and take measures to respond to climate-related issues?	✓		<p>According to the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Appendix 2 - Climate Risk Identification Table," two transition risks and one physical risk were identified as key risks, and two opportunities were identified as key opportunities. We completed the assessment of their impact on the Company's strategies, operations, and financial position, and formulated response strategies and plans accordingly.</p> <p>After assessing the potential risks and opportunities of climate change in the present and future, the Company has found that the sustainable development constraints on energy and environment have become more severe. In the many potential applications of renewable energy,</p>	No deviation

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(4) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?		✓	distributed solar photovoltaic power generation has become a critical solution due to its many advantages of pollution-free, sustainable, high volume, wide distribution, and variety of utilization forms. We built a 5MW distributed photovoltaic power station in our Kunshan plant to accelerate the development of green factories and a green manufacturing system, which is the key to maintaining long-term competitiveness. The Company compiles its carbon inventory in accordance with ISO 14064-1:2018 GHG inventory, Multiwin Mexico has completed its carbon inventory for 2022 and 2023, and the Group has also completed its carbon inventory for 2023. A GHG verification report has been obtained from a third-party verification institution, and we continue to formulate reduction policies. GHG emissions, water consumption, and total weight of waste are disclosed in the third-party verification report.	The company will implement such policy in accordance with applicable laws in the future.
4.Social issues (1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		The Company complies with labor regulations and is committed to the guiding principles of international human rights conventions such as The Universal Declaration of Human Rights, United Nations Guiding Principles on Business and Human Rights, and International Labour Organization. We support and respect internationally recognized human rights including prohibiting the use of child labor, eliminating all forms of forced labor, eliminating employment discrimination, and preventing unlawful infringement in the workplace. The Company's policies and measures are revised according to local labor regulations to meet current conditions. 1.The Company established the "Regulations for the Prevention, Complaint, and Punishment of Sexual Harassment" in accordance with the Act of Gender Equality in Employment to protect employees' rights and interests. To prevent unlawful infringement and workplace bullying, the Company conducts awareness campaigns and has set up a dedicated complaint mailbox to ensure employees are protected from workplace sexual harassment or improper conduct, thereby providing a safe and friendly working environment. Workplace sexual harassment and anti-bullying awareness is also part of the onboarding process for all new hires. 2.In 2024, female employees accounted for 39% of the Company's workforce, while female managers represented 3%. The Company continues to actively promote diversity and equal opportunities in the workplace.	No deviation

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(2) Does the Company formulate and implement reasonable employee benefits measures (including compensation, leaves and other benefits), and appropriately reflect operational performance or achievement in employee compensation?	✓		By law, the Company participates in labor insurance (payments for work injury or disease, disability, childbirth, and death) and national health insurance; additionally, employees enjoy additional guarantees with group insurance (accident, medical, and overseas emergency rescue insurance) available from their first day of employment. In accordance with the "Labor Standards Act" and related laws and regulations, employees are provided with parental leave without pay, family leave, menstrual/maternity leave, paternity leave, and more based on their physiological condition and family requirements. Employees may schedule leave based on their actual needs. Also, the Company participates in surveys of remuneration and welfare policies as reference to establish reasonable employee remuneration and welfare policies that are competitive within markets. Subsidies such as gifts for birthdays, weddings, and funerals as well as annual employee health examinations are provided. Performance evaluations are conducted annually to offer opportunities for promotions, salary adjustments, and year-end bonuses based on individual performance to share operating results with employees. Also, a "Procedures for Reward and Discipline" has been established to offer a clear reward and punishment system that is reflected in employee remuneration.	No deviation
(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	✓		The Company has obtained certification ISO45001 for the management systems of occupational health and safety and its active implementation with regular verification and review by a third party. Regularly organize activities related to employee safety and health education to reinforce awareness of occupational safety and health. The Company provides health examinations for current employees and has dedicated personnel in partner health institutions that allow employees to engage in health consultations. In 2023, there were no cases of major occupational accidents. The number of fire incidents, casualties, and the ratio of casualties to total employees were all zero. In order to implement proactive management, the legally mandated education and training courses are being disseminated to enhance safety awareness among employees. The number of occupational injuries is 10, accounting for 1.28% of the total number of employees, mainly due to insufficient safety awareness and careless operation. To implement source management, in addition to the legally required training courses, the company regularly conducts safety training to enhance employees' safety awareness. Furthermore, equipment inspections and maintenance are carried out once a month to ensure the proper functioning of the facilities.	No deviation

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(4) Does the company setup a communication channel with employees on a regular basis, as well as reasonably inform employees of any significant changes in operations that may have an impact on them?	✓		The Company conducts new employee training for new hires and establishes an effective career development training program for employees.	No deviation
(5) Does the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer protection and grievance procedure policies implemented?	✓		The Company comply with relevant laws, regulations, and international standards with respect to customer health and safety, customer privacy, marketing and labeling of products and services, and develop relevant consumer interest's protection policies and complaint procedures	No deviation
(6) Does the Company formulate a supplier management policy that requires suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and its implementation situation?	✓		<p>The company has established the "Supplier Control Procedure," which specifies that before establishing business relationships with others, the Procurement, Quality Assurance, and Engineering departments must review suppliers based on the "Supplier Evaluation Form." This review must include relevant requirements for QMS (Quality Management System), EHS (Environment, Health, and Safety), RBA (Responsible Business Alliance - health, environment, safety, labor ethics), and HSF (Hazardous Substance Free, including HSF compliance declaration and test verification results). Suppliers are subject to evaluation and audits.</p> <p>Supplier evaluation results are categorized as follows: Grade A: Suppliers scoring above 80 points are considered qualified. Grade B: Suppliers scoring 70-79 points are conditionally qualified, with procurement volume restrictions. If they achieve Grade A in daily assessments for three consecutive months, they can be directly upgraded to qualified suppliers. Grade C: Suppliers scoring below 70 points are considered unqualified. The Procurement department will provide the supplier with three opportunities for improvement, with a two-month deadline. If improvements are not made within the specified time, the supplier's qualification will be revoked.</p>	No deviation
5.Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as Corporate Sustainability Report? Do the reports above obtain assurance from a third party verification unit?		✓	The Company prepared the Sustainability Report for the Kunshan Eson Plant in accordance with the Universal Standards, Sector Standards, and Topic Standards issued by the Global Reporting Initiative (GRI). In the future, the Company plans to obtain third-party assurance for the sustainability indicators disclosed in the report.	The company will implement such policy in accordance with applicable laws in the future.

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons																																																																
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6.Describe the difference, if any, between actual practice and the corporate social responsibility principles, if the company has implemented such principles based on the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies: The Board of Directors of the Company has passed the corporate social responsibility code of practice. The Company will fulfill corporate social responsibilities and implement according to the directions.																																																																				
7.Other useful information for explaining the status of corporate social responsibility practices:																																																																				
(1) The Company has participated in the establishment of charitable associations to provide regular financial assistance to vulnerable groups such as nursing homes and low-income households.																																																																				
(2) Passed certification:																																																																				
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Implementation of climate-related disclosure

Item	Execution status
1. Describe the board of directors' and management's oversight and governance of climate related risks and opportunities.	The Company recognizes the importance of climate change and adopted the framework of the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to supervise and manage climate change-related actions. The framework is implemented from the top down through the Board of Directors, responsible units, and operating units, and effectively incorporates climate change issues into the organization's operations, which are implemented accordingly. The Board of Directors continues to monitor plans for the identification and response to the Company's climate-related risks and opportunities, and monitors the implementation status of climate-related risks and opportunities on a quarterly basis.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	<p>The climate risks and opportunities identified by the Company are as follows:</p> <p>Risks - 3 significant risk was identified and is a long-term climate risk</p> <ol style="list-style-type: none"> 1. Rising cost of raw materials - Countries have imposed carbon prices in response to climate change in recent years. The upward trend of carbon prices is mainly driven by the need for companies to meet their carbon emission allowances. International raw material costs have been rising, in which steel plates are the main raw material for metal stamping components required for the production of TVs. Due to the rise of raw material prices, the cost of producing parts has increased significantly, and the trend is expected to continue into the future. Fluctuations in raw material prices affect production and may potentially cause a decline in revenue. 2. Goodwill risk related to climate change - Information disclosure or response plans failing to meet stakeholders' expectations will damage the Company's reputation and cause a decline in sales. 3. Flooding (heavy rainfall) - Flooding (heavy rainfall) will affect the daily operations of factories and the safety of employees. <p>Opportunities - 2 significant opportunities were identified as follows:</p> <ol style="list-style-type: none"> 1. Shorten the distance of downstream transportation to reduce carbon emissions - Currently, the global product development center located in Kunshan simultaneously features mass production capabilities and serves as support for global production; the remaining factories, including those in China, Asia, and North America, are responsible for mass production and delivery and in principle service the needs of nearby clients. Resources from various locations are integrated to provide mutual support. This will reduce transportation cost and distance, and have a positive impact on transportation

Item	Execution status
	<p>efficiency and the environment.</p> <p>Use low-carbon energy - The Kunshan plant reduces the use of electricity generated from traditional high-carbon sources, such as coal-fired power generation, and has installed solar panels on its roof, using solar photovoltaic power generation to reduce operating and production costs</p>
3. Describe the financial impact of extreme weather events and transition actions.	Increase in operating costs; Disaster losses caused by extreme weather, such as blocking transportation of raw materials and finished products and property losses.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	In addition to identifying the operational risks brought by climate change, the Company also refers to the Task Force on Climate-Related Financial Disclosures (TCFD) issued by the Financial Stability Board (FSB), and incorporated the four core disclosures of "Governance," "Strategy," "Risk Management," and "Metrics and Targets" into our operations management.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	None.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	None.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	None.
8. If climate related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified	None.
1. Greenhouse gas inventory and assurance status (filled out separately below in 1-1 and 1-2).	Not applicable.

2.2.6 Ethical Corporate Management – Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation Item	Implementation Status			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1.Establishment of ethical corporate management policies and programs				
(1) Does the Company formulated an ethical management policy approved by the board of directors, and clearly stated the policies and practices of ethical management, and the commitment to actively implement management policies by the board of directors and senior management in the regulations, rules, and external documents?	✓		(1) The Company has established an ethical code of conduct that sets out the relevant rules to align the conduct of the Company's directors and managers with ethical standards and to enable stakeholders to better understand the Company's ethical code of conduct.	No deviation
(2) Does the Company established an evaluation mechanism for the risk of dishonest behaviors, regularly analyzed and evaluated business activities with a higher risk of dishonest behaviors in the business scope, and thus formulated a plan to prevent dishonest behaviors, which at least covered the preventive measures provided in Subparagraphs of Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies?	✓		(2) In the prevention plan, the Company specifically stipulates that the Company's personnel should prohibit bribery, illegal political contributions, improper charitable donations or sponsorships, and unreasonable gifts, hospitality or other improper benefits when conducting business. Education and training related to business integrity (including compliance with ethical business integrity regulations, taxation, auditing systems and internal controls) conducted by the Company with 2,647 person, a total of 5,279 hours.	No deviation
(3) Does the Company clearly set out the operating procedures, behavior guidelines, punishment, and complaint system for violations in the plan to prevent dishonest behaviors, and implemented and regularly reviewed and amended the aforesaid plan?	✓		(3) In the aforementioned specifications, the Company defined behavioral guidelines for conflicts of interest, confidentiality of customer information, and business dealings, and regularly or timely promotes education and training so that employees can truly understand and comply.	No deviation
2.Fulfill operations integrity policy				
(1) Does the company evaluate business partners’ ethical records and include ethics-related clauses in business contracts?	✓		(1) The Company has specified the "Customer Credit Management Operations" and “Supplier Control Procedures” to prevent exchange with those who do not meet the standards or reduce the transaction amount; In addition, the terms of good faith have been specified in the commercial contract.	No deviation
(2) Does the Company set up a dedicated unit under the board of directors to promote ethical corporate management, and regularly (at least once a year) reported to the board of directors	✓		(2) The Legal Affairs Office is responsible for promoting the Company’s integrity management policy and formulating and supervising the implementation of programs to prevent dishonest conduct. Reports are made	No deviation

Evaluation Item	Implementation Status			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
regarding its ethical management policy, its plan to prevent dishonest behaviors, and supervised the implementation status?			to the Board of Directors at least once a year. In addition, if employees identify any misconduct or violations of corporate integrity, they are required to report such matters to the Legal Affairs Office or relevant units in accordance with regulations to ensure timely handling.	
(3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	✓		(3) The Company has established procedures for dealing with conflicts of interest in the aforementioned specifications.	No deviation
(4) Has the Company established an effective accounting system and internal control system for the implementation of ethical management, and had the internal audit unit draw up relevant audit plans based on the evaluation results of the dishonest behavior risks to check the compliance status of the plan to prevent dishonest behaviors or commission a CAP conducting an audit?	✓		(4) The Company has established an accounting system and an internal control system, and internal auditors will conduct audit operations on a regular or irregular basis.	No deviation
(5) Does the company regularly hold internal and external educational trainings on operational integrity?	✓		(5) The Company promotes corporate culture and integrity management obligations through various conferences.	No deviation
3.Operation of the integrity channel				
(1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?	✓		(1) The Company has the "Employee Communication and Complaint Management Methods" and "EICC Code of Conduct" with special mailboxes for employees and external personnel, which are handle by designated personnel with specific rewards (merit records and cash rewards).	No deviation
(2) Does the Company established the standard operating procedures for investigations after accepting reports, the follow-up measures to be taken after the investigation is completed, and related confidentiality mechanisms?	✓		(2) 1. According to the Company’s “Ethical Corporate Management Operating Procedures and Code of Conduct”, it indicated the standard operating procedures for reported matters and the need to keep records of accepted cases, investigation process, investigation results, and related documents. 2. With respect to a confirmed report, the Company shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence. 3. The Company's dedicated unit shall report the whistleblowing case, actions taken, and subsequent reviews and corrective measures to the Board of	No deviation

Evaluation Item	Implementation Status			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(3) Does the company provide proper whistleblower protection?	✓		Directors. 4. In 2024, no reported cases were received. (3) The company agrees to take measures to protect the prosecutor from improper treatment due to the report, and is willing to discuss relevant protection measures.	No deviation
4.Strengthening information disclosure (1) Does the company disclose its ethical corporate management policies and the results of its implementation on the company’s website and MOPS?	✓		(1) The company has set up a website, and will gradually build up the disclosure of information related to integrity management in the future.	No deviation
5.If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation. The company has established an integrity management code and implemented the contents thereof.				
6.Other important information to facilitate a better understanding of the company’s ethical corporate management policies (e.g., review and amend its policies). The company signs a “vendor commitment letter” with the supplier, stating that the supplier should ensure that business activities are carried out in a transparent and fair manner. Transactions with clients shall be carried out with honesty. Notes shall be added to the trading contract as appropriate to show the company's determination to operate with integrity.				

2.2.7 Other Important Information Regarding Corporate Governance

None

2.2.8 Internal Control Systems

Declaration of Internal Control:

1. Please refer to the MOPS website at <https://mops.twse.com.tw/mops/#/web/t06sg20>

2. For the CPAs specifically commissioned to review the internal control system, the Independent Auditor's Report should be disclosed: None.

2.2.9 Major Resolutions of Shareholders' Meeting and Board Meetings

1. Shareholders' meeting

Date	Major resolutions
2024.06.19	<p>1. Adoption of the 2023 Business Report and Financial Statements. Execution : Resolution passed.</p> <p>2. Adoption of the Proposal for Distribution of 2023 Profits. Execution : To resolve September 8, 2024 as dividend record date and September 27, 2024 as cash dividend distribution date. (a cash dividend of NT\$1.6 per share).</p> <p>3. Amendment to the Company's "Procedures for Lending Funds to Other Parties". Execution : Resolution passed.</p> <p>4. Re-election of directors. Execution : There are seven seats of directors (including three independent directors) for the fifth board of directors</p>
	<p>5. Approve the lifting of non-competition restrictions for directors and representatives. Execution : Resolution passed.</p>

2. Board meeting

Date	Major resolutions
2024.03.13	<p>1. Approving of the 2023 Remuneration of employees and directors.</p> <p>2. Approving of the 2023 Business Report and Consolidated Financial Statement.</p> <p>3. Approving of the 2023 Assessment of the effectiveness of the internal control system and statement of internal control system.</p> <p>4. Approving of the 2024 distribution of 2023 profit.</p> <p>5. Approval of amendments to the Company's procedures for "Loaning Funds to Other Parties".</p> <p>6. Ratified proposal to establish "General Rules for Pre-Approval of Non-Assured Services" in the Company.</p> <p>7. Approval of the proposed reduction of USD 8.9 million in capital for Grand Liberty Co., Ltd., a subsidiary of our company.</p> <p>8. Approval of re-election of directors.</p> <p>9. Approval of the convening of the 2023 General Shareholders' Meeting.</p>
2024.05.08	<p>1. Approval of periodically evaluate CPA's independent and competent.</p> <p>2. Approval of the Company's certified public accountants and determine fees.</p> <p>3. Approving of Financial Statements for the First Quarter of 2024</p> <p>4. Approval of nomination of the company's Directors (including independent directors).</p> <p>5. Approval of the lifting of non-competition restrictions for directors and representatives.</p> <p>6. Approved the case of signing a house lease contract between the company and the related person Tsai, Chia-Hsiang.</p> <p>7. Approving of Authorized to sign Letter of Support to E.Sun Commercial Bank, Ltd. Singapore Branch, Taish International Bank Co., Ltd. Singapore Branch and Taipei Fubon Commercial Bank</p>
2024.06.20 First session	<p>1. Approval of the Election of the Chairman of the Company's Sixth Board of Directors</p> <p>2. Approval of the Appointment of Members to the Compensation Committee</p>
2024.06.20 Second session	<p>1. Approval of the Appointment of Huang, Hsin-Feng as Executive Director and the Compensation Proposal.</p>

Date	Major resolutions
2024.08.27	<ol style="list-style-type: none"> 1.Approving of Replacement of Certified Public Accountant. 2.Approving of Financial Statements for the Second Quarter of 2023 3.Approving of Directors' Remuneration. 4.Approval of the Proposal to Classify Accounts Receivable of the Company's Subsidiaries as of the End of June 2024, Exceeding Normal Credit Terms by Over Three Months and of Significant Amounts, as Non-Loan-Related 5.Approval of the Compensation Proposal for the Promotion of Assistant Vice President Chou Cheng-Chang to Vice President
2024.11.11	<ol style="list-style-type: none"> 1.Approving of Financial Statements for the Third Quarter of 2024. 2.Approving of 2024 Internal Audit Plan. 3.Approval of the Amendment to the Company's "Audit Committee Charter. 4.Approving of Amendments to the Company's Rules of Procedure for Board of Directors Meetings. 5.Approval of the Adoption of the Company's "Sustainability Information Management" Policy. 6.Approving of 2024 Business Plan. 7.Approval of the Adoption of the Company's "Sustainability Practice Principles 8.Approval of the Establishment of the Sustainability Committee and the Adoption of the "Sustainability Committee Charter 9.Approval of the Appointment of Members to the Sustainability Committee 10.Approving of 2023 Employee profit-sharing compensation to managerial officers 11.Approving of Year-end bonus to managerial officers
2025.03.12	<ol style="list-style-type: none"> 1.Approving of the 2024 Remuneration of employees and directors. 2.Approving of the 2024 Business Report and Consolidated Financial Statement. 3.Approving of the 2024 Assessment of the effectiveness of the internal control system and statement of internal control system. 4.Approving of the 2024 distribution of 2023 profit. 5.Approval of periodically evaluate CPA's independent and competent. 6.Approval of amendments to the Company's procedures for Company's "Articles of Incorporation". 7.Approval of the Remuneration Proposal for Members of the Company's Sustainability Development Committee 8.Approval of the Amendment to the Company's "Sustainability Information Management" Policy. 9.Approval of the convening of the 2023 General Shareholders' Meeting.

2.2.10 Major Issues of Record or Written Statements Made by Any Director or Supervisor Dissenting to Important Resolutions Passed by the Board of Directors

None

2.3 Information Regarding CPA Fees

Accounting Firm	Name of CPA		Period Covered by CPA's Audit	Audit Fee	Non-audit Fee	Total	Remarks
Deloitte & Touche	Peng, Shi-Xuan	Wu, Ke-Chang	2024.01.01-2024.12.31	7,550	2,630	10,180	-

2.3.1 Non-inspection fees for CPAs, accounting firms, and its affiliates account for over one quarter of inspection fee:

None

2.3.2 Replacement of accounting firm and auditing fee for the replacement year is lower than amount in the year prior to the replacement:

None

2.3.3 Auditing fee decreases by over 15% from the previous year:

None

2.3.4 Non-audit fees include System Design, Translation of English Financial Statements and tax compliance audit.

2.4 Information on Change of CPA

(I) Former CPAs

Date of replacement	2024.8.27
Reason for replacement and note	Due to the internal adjustment needs of Deloitte & Touche
Explanation of Resignation, Dismissal, or Declination of Appointment by the Appointed Party or CPA	None
Audit Opinions Other Than Unqualified Issued in the Most Recent Two Years and the Reasons Thereof	None
Whether There Were Any Disagreements with the Issuer	None
Other Disclosure Matters	None

(II) New CPAs

Name of Accounting Firm	Deloitte & Touche
Name of Certified Public Accountant (CPA)	Peng, Shi-Xuan 、Wu, Ke-Chang
Date of Appointment	2022.3.18
Matters Consulted Prior to Appointment Regarding Accounting Treatments or Principles for Specific Transactions and the Likely Audit Opinion on Financial Statements, and the Results Thereof	None
Written Opinion from the Successor CPA Regarding Disagreements with the Predecessor CPA	None

(III) Former independent auditor's replies relating to Item 1 and 2-3, Subparagraph 6, Article 10 of the "Regulations": Not applicable。

2.5 Whether the Company's chairman, presidents, and managers in charge of its financial and accounting operations have held any positions in Company's independent auditing firm or its affiliates business in the most recent year:

None

2.6 Particulars about Change in shareholding and shares pledge of directors, managers and major shareholders who own 10% or more of ESON's Shares during the most recent year and as of the date of this Annual Report.

2.6.1 Changes in Shareholding of Directors, Supervisors, Managers and Major Shareholders

The information is available to investors on the (MOPS) website:

<https://mops.twse.com.tw/mops/#/web/stapap1>

2.6.2 The counterparty of equity transfer is a related party:

None

2.6.3 The counterparty of equity pledge is a related party:

None

2.7 The Relations of the Top Ten Shareholders

As of Apr 22,2025 ; Unit: shares

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Golden Harvest Management Limited	44,613,345	26.47%	-	-	-	-	-	-	-
Representative : Lee, Kuang-Yao	-	-	-	-	-	-	-	-	-
Ace Progress Holdings Limited	15,351,375	9.11%	-	-	-	-	-	-	-
Representative : Tsai, Chia-Hsiang	-	-	-	-	-	-	-	-	-
Standard Chartered bank in custody- Liechtenstein bank	6,421,000	3.81%							
TS Bank in custody- Megaworld Development Ltd.	5,702,000	3.38%	-	-	-	-	-	-	-
Legend Company Ltd.	2,841,078	1.69%	-	-	-	-	-	-	-
Representative : WU DEAN	-	-	-	-	-	-	-	-	-
TransGlobe Life Insurance Inc.	2,769,000	1.64%	-	-	-	-	-	-	-
Citibank (Taiwan) Custody – UBS Europe SE Investment Account	1,467,371	0.87%							
Citibank Custody – Baring Bank (Global Securities Lending Unit) Account	1,400,000	0.83%	-	-	-	-	-	-	-
Citibank Custody – Barclays Capital SBL/PB Investment Account	1,320,497	0.78%	-	-	-	-	-	-	-
Standard Chartered Custody – Mizuho Securities Co., Ltd.	1,209,000	0.72%	-	-	-	-	-	-	-

2.8 Long-Term Investment Ownership

As of April 21,2024 ; Unit: shares

Affiliated Enterprises	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
Multiwin Precision Ind Pte. Ltd.	19,800,001	100.00	-	-	19,800,001	100.00
Global Sun Trading Co., Ltd.	2,810,000	100.00	-	-	2,810,000	100.00
All Spacer Enterprises Co., Ltd.	1,800,000	100.00	-	-	1,800,000	100.00
MultiwinDe Mexico S.A.De C.V.	1,063,371	100.00	-	-	1,063,371	100.00
Heng Xie Enterprises Limited	410,514,868	100.00	-	-	410,514,868	100.00
Eson Europe S.R.O.	Note 1	100.00	-	-	Note 1	100.00
Grand Liberty Co., Ltd.	24,100,000	100.00	-	-	24,100,000	100.00
Ample Wealth Enterprise Ltd.	1	100.00	-	-	1	100.00
Zeal International Co., Ltd.	1	100.00	-	-	1	100.00
Eson Precision Industry (Singapore) Pte. Ltd.	19,000,000	100.00	-	-	19,000,000	100.00
Eson (VN) Precision Industry Co., Ltd.	Note 1	100.00	-	-	Note 1	100.00
Eson Precision Engineering (Malaysia) Sdn. Bhd.	31,000,000	100.00	-	-	31,000,000	100.00
Eson Batupahat Precision Engineering Sdn. Bhd.	19,000,000	100.00	-	-	19,000,000	100.00
Unique Champion Co., Ltd.	1	100.00	-	-	1	100.00
Eson Slovakia A.S.	230	100.00	-	-	230	100.00
Kong Eagle International Limited.	13,505,712	100.00	-	-	13,505,712	100.00
Zenith Profits Co., Ltd.	1	100.00	-	-	1	100.00
Blackyotta Co., Ltd.	200,000	100.00	-	-	200,000	100.00
ESONMEX Monterrey S.A. De C.V.	6,653,671	100.00	-	-	6,653,671	100.00
Kunshan Eson Precision Engineering Co., Ltd.	Note 1	100.00	-	-	Note 1	100.00
Yantai Zheng Yi Precision Electronics Co., Ltd.	Note 1	100.00	-	-	Note 1	100.00
Wuxi Xinguan Metal Science & Technology Co., Ltd.	Note 1	100.00	-	-	Note 1	100.00
Dongguan Yihong Precision Mould Co., Ltd.	Note 1	100.00	-	-	Note 1	100.00
Kunshan Kang Rui Package Material Co., Ltd.	Note 1	100.00	-	-	Note 1	100.00

Note 1 : Limited Companies with no shares

3 Funding Status

3.1 Capital and shares

3.1.1 History of capitalization

1.Type of shares

As of April 22, 2025 / Unit: thousands Shares

Type of Shares	Authorized Shares			Remarks
	Outstanding Shares	Unissued shares	Total	
common stock	168,529	131,471	300,000	Listing

2.Issued Shares

As of April 23, 2025

Month / Year	Par value (NT\$)	Authorized shares		Paid-in Capital		Remarks		
		Shares (thousands)	Amount (NT thousands)	Shares (thousands)	Amount (NT thousands)	Source of capital	Capital Increased by Assets Other than Cash	Other
2008/06	USD 0.1	1(shares)	USD0.1(dollars)	1(shares)	USD0.1(dollars)	Initial Capital	No	No
2008/07	USD0.78067	200,000	USD20,000	97,749	USD 9,774	Capital Increased by Cash	No	Note 1
2009/01	USD0.89144	200,000	USD20,000	132,827	USD 13,283	Capital Increased by Cash	No	Note 2
2012/08	USD 1	200,000	USD20,000	152,827	USD 15,283	Capital Increased by Cash	No	Note 3
2012/10	-	152,827	NTD 1,528,273	45,848	NTD 458,482	Transferring currency	No	Note 4
2012/10	-	152,827	NTD 1,528,273	152,827	NTD 1,528,273	Capital Surplus Transferred to Capital	No	Note 5
2013/11	NTD36	200,000	NTD2,000,000	171,932	NTD1,719,323	Capital Increased by Cash	No	Note 6
2014/09	-	200,000	NTD2,000,000	180,529	NTD1,805,289	Stock dividends of Common Stock	No	Note 7
2015/11	-	200,000	NTD2,000,000	173,529	NTD1,735,289	Treasury Stock Retired	No	Note 8
2019/03	-	200,000	NTD2,000,000	168,529	NTD1,685,289	Treasury Stock Retired	No	Note 9

Note 1 : Capital Increased 97,749,099 shares by Cash.

Note 2 : Capital Increased 35,078,200 shares by Cash.

Note 3 : Capital Increased 20,000,000 shares by Cash.

Note 4 : The company changed the par value from USD 1 dollar to NTD 10 dollars.

Note 5 : Capital Surplus Transferred to Capital on NTD 1,069,791,100 dollar.

Note 6 : Approved Jing- Kuan- Zheng- Fa –Zi No. 1020040802

Note 7 : Approved Tai-Jeng-Shang-Er-Zi No.10300189191

Note 8 : Approved Tai-Jeng-Shang-Er-Zi No. 10400239291

Note 9 : Approved by TWSE on March 29, 2019

3.Information regarding shelf registration: None.

3.1.2 List of Major Shareholders

As of Apr 22, 2025/ Unit: Shares

Shareholder's Name	Shareholding	Shares	Percentage
Golden Harvest Management Limited		44,613,345	26.47%
Ace Progress Holdings Limited		15,351,375	9.11%
Standard Chartered bank in custody-Liechtenstein bank		6,421,000	3.81%
TS Bank in custody-Megaworld Development Ltd.		5,702,000	3.38%
Legend Company Ltd.		2,841,078	1.69%
TransGlobe Life Insurance Inc.		2,769,000	1.64%
Citibank (Taiwan) Custody – UBS Europe SE Investment Account		1,467,371	0.87%
Citibank Custody – Baring Bank (Global Securities Lending Unit) Account		1,400,000	0.83%
Citibank Custody – Barclays Capital SBL/PB Investment Account		1,320,497	0.78%
Standard Chartered Custody – Mizuho Securities Co., Ltd.		1,209,000	0.72%
Total		83,094,666	49.30%

3.1.3 The company's dividend policies and execution

1.Dividend Policy stipulated in the Company's Articles of Incorporation

The Board may, subject to approval by the Members by way of Ordinary Resolution or, in the case of Article 11.4(a), Supermajority Resolution and subject to these Articles and any direction of the Company in general meeting, declare a Dividend to be paid to the Members in proportion to the number of shares held by them, and such Dividend may be paid in cash, shares or, subject to Article 13.2, wholly or partly in specie. No unpaid Dividend shall bear interest as against the Company.

Subject to the Law, Article 11.4(a) and this Article and except as otherwise provided by the rights attached to any shares, the Company may distribute profits in accordance with a proposal for profits distribution approved by the Board and sanctioned by the Members by an Ordinary Resolution, in general meetings. No Dividends or other distribution shall be paid except out of profits of the Company, realization or un realization, out of share premium account or any reserve, fund or account as otherwise permitted by the Law. Except as otherwise provided by the rights attached to any shares, all Dividends and other distributions shall be paid according to the number of the shares that a Member holds. If any share is issued on terms providing that it shall rank for Dividend as from a particular date, that share shall rank for Dividends accordingly.

Upon the final settlement of the Company's accounts, if there is "surplus profit" (as defined below), the Company shall set aside two per cent (2%) to eight per cent (8%) as compensation to employees ("**Employees' Compensation**") and Employees' Compensation may be distributed to employees of the Company and its Subsidiaries, who meet certain qualifications. The Company shall, from the surplus profit, set aside no more than zero point five per cent (0.5%) thereof as remuneration for the Directors ("**Directors' Remuneration**"). The distribution proposals in respect of Employees'

Compensation and Directors' Remuneration shall be approved by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors and submitted to the shareholders' meeting for report. However, if the Company has accumulated losses, the Company shall reserve an amount thereof for making up the losses before proceeding with the abovementioned distributions and allocation. The "surplus profit" referred to above means the net profit before tax and for the avoidance of doubt, such amount is before any payment of compensation to employees and remuneration for the Directors and is exclusive of the earnings accumulated from previous years.

In determining the Company's dividend policy, the Board recognizes that the Company operates in a mature industry, and has stable profit streams and a sound financial structure. In determining the amount, if any, of the Dividend or other distribution it recommends to Members for approval in any financial year, the Board:

- (a) may take into consideration the earnings of the Company, overall development, financial planning, capital needs, industry outlook and future prospects of the Company in the relevant financial year, so as to ensure the protection of Members' rights and interests; and
- (b) shall set aside out of the profits of the Company for each financial year: (i) a reserve for payment of tax for the relevant financial year; (ii) an amount to offset losses incurred in previous years; (iii) ten per cent (10%) as a general reserve ("Statutory Reserve") (unless the Statutory Reserve has reached the total paid-up capital of the Company), and (iv) a special surplus reserve as required by the applicable securities authority under the Applicable Public Company Rules or a reserve as determined by the Board pursuant to Article 14.1.

Subject to compliance with the Law and after setting aside the amounts for Employees' Compensation and Directors' Remuneration in accordance with Article 13.4 and such amounts as the Board deems fit in accordance with the distribution policy set out in Article 13.5, the Board shall recommend to Members for approval to distribute no less than ten per cent (10%) of the earnings generated from the immediately preceding financial year (exclusive of those accumulated from previous years) out of the distributable amount as Dividend to the Members and the allocation will be made upon the passing of the resolution by the Members.

Dividends to the Members and the Employees' Compensation may be distributed, in the discretion of the Board, by way of cash or by way of applying such sum in paying up in full unissued shares or a combination of both for allocation and distribution to employees or the Members, provided that, in the case of a distribution to Members, no less than fifty per cent (50%) of the total amount of such Dividend shall be paid in cash. No unpaid Dividend and compensation shall bear interest as against the Company.

2. Proposed Dividend Distribution :

The Board approved the proposal NTD\$1.5 of per share for 2024 dividend distribution at its meeting on March 12, 2025. The proposal will become effective according to the relevant regulations, upon the approval of shareholders at the Annual General Shareholders' Meeting.

Beginning retained earnings		Unit: NTD \$ 2,042,803,767
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Add: net profit after tax	566,426,565	
Less: 10% legal reserve	(56,642,657)	
Distributable net profit	509,783,908	509,783,908
Distributable items:		
Dividend to shareholders (NTD\$1.5 of per share)		(252,793,373)
Unappropriated retained earnings		2,299,794,302
1.The cash dividend distribution will be calculated to the nearest NT dollar, the cash dividend distribution with NT dollar.		
2.According to convert the functional currency into NT dollar.		

3.Anticipation of significant changes in the dividend policy :

None

3.1.4 The impact of the stock dividend resolved in the current shareholders' meeting on the Company's business performance and earnings per share

Not applicable.

3.1.5 Remuneration to employees and directors

1.Remuneration to employees and directors stipulated in the Company's Articles of Incorporation.

Upon the final settlement of the Company's accounts, if there is "surplus profit" (as defined below), the Company shall set aside two per cent (2%) to eight per cent (8%) as compensation to employees ("**Employees' Compensation**") and Employees' Compensation may be distributed to employees of the Company and its Subsidiaries, who meet certain qualifications. The Company shall, from the surplus profit, set aside no more than zero point five per cent (0.5%) thereof as remuneration for the Directors ("**Directors' Remuneration**"). The distribution proposals in respect of Employees' Compensation and Directors' Remuneration shall be approved by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors and submitted to the shareholders' meeting for report. However, if the Company has accumulated losses, the Company shall reserve an amount thereof for making up the losses before proceeding with the abovementioned distributions and allocation. The "surplus profit" referred to above means the net profit before tax and for the avoidance of doubt, such amount is before any payment of compensation to employees and remuneration for the Directors and is exclusive of the earnings accumulated from previous years.

2.Accounting treatment applied to the difference between actual and estimated remuneration to employees and directors.

Shall there be any difference between the actual amount of remuneration approved by Annual Shareholders' Meeting and that of the estimation, it will be deemed as the changes in accounting estimated and will be recognized in the profit and loss account of the distributing year.

3.Distribution of remuneration to employees resolved by the Board of Directors:

- (1) The Company distributes employees' compensation in the amount of NT\$33,302,151 and distributes directors' remuneration in the amount of NT\$4,162,777. The distribution will take place in cash.

- (2) Regarding allocation of staff cash compensation, stock remuneration and directors' compensation, in case of any discrepancy between the amounts and the amortized estimates for the year, the differences, reasons, and responses should be disclosed: Earnings undistributed due to reasons such as considerations of allotting 10% of the general reserve by the end of the current period shall fall within a specific percentage range according to the Company's Articles of Incorporation. When the actual allotment and the estimate differ after resolution of the Shareholders' meeting, the accountant's estimated change shall be adopted and implemented in the books following resolution on the annual adjustment at the Shareholders' meeting.
- (3) The ratio of the proposed distribution of stock shares as remuneration to employees to the total net income and remuneration to employees on the individual financial statements: not applicable.
- (4) The imputed earnings per share after distributing the remuneration to employees, directors, and supervisors is to be proposed for distribution.

Not applicable due to employee remuneration, directors and supervisors' compensation being recognized as expenses.

4. The actual distribution of remuneration to employees, directors and supervisors in previous year

The Company's Board of Director resolved 2023 director and employee remuneration and reported shareholders' meeting on June 19, 2024. The directors' compensation amount is as follows:

Item	Amount (NT\$)
Remuneration to employees	37,432,926
Remuneration to directors	4,679,104

The aforementioned director and employee remuneration amount had been recognized as expenses in 2023. The amount listed in the books is consistent with the allotted amounts resolved in the Shareholders' meeting.

3.1.6 Buyback of Treasury Stock

None

3.2 Issuance of Corporate Bond

None

3.3 Preference Shares

None

3.4 Issuance of Global Depositary Receipts

None

3.5 Employee Stock Option and Employee Restricted Stocks

None

3.6 Status of New Share Issuance in Connection with Mergers and Acquisitions

None

3.7 Financing Plans and Implementation

None

4 Overview of Business Operation

4.1 Content of business

4.1.1 Business scope

1. The main contents of the business service

The company is mainly engaged in the design, development, manufacturing and sales of various consumer electronic components and molds.

2. Business ratio of main products

Unit : NT\$ thousands

Main products	2022		2023	
	Amount	%	Amount	%
Automobile parts	7,008,222	60.62%	7,560,337	57.74%
Server parts	1,982,126	17.14%	3,396,745	25.94%
Consumer Electronics Mechanical Parts	2,131,188	18.43%	1,875,900	14.32%
Other	440,471	3.81%	261,349	2.00%
Total	11,562,007	100.00%	13,094,331	100.00%

3. The Company's current products (service)

- A. Mold design and production sales

Starting with precision molds, we have accumulated many years of professional technology to satisfy various customers' mold requirements, and to produce them for self-use and external sales.

- B. Design and manufacturing of various consumer electronic components

According to customer needs, we specialize in the production of various sizes of TV, NB, PC, Server, telecommunication, game console, home appliance and other components.

- C. Product appearance processing

Surface treatment of mechanical part materials such as metal/plastic surface spray coating, electrocoating, anodizing, laser engraving, evaporation and heat/water transfer printing and other processes.

- D. Sheet metal processing product applications

Sheet metal processing technology plays a vital role in modern manufacturing and is widely used in many fields, such as automobiles, electronics, and healthcare. Advanced processing technology allows sheet metal to be made into a variety of metal parts with precise dimensions, meeting the shape and size requirements of different products. Whether it is a complex structural part or a precise small part, sheet metal processing technology can provide efficient and high-quality

solutions.

4. New products (services) that will be developed

- A. Server product input: The popularization of artificial intelligence (AI) worldwide has brought unprecedented development opportunities for the server industry. The rapid development of AI technology has not only driven a sharp increase in computing demand, but also allowed the hardware industry to flourish. The capital-intensive investment of global tech giants and the increasing demand for digital transformation of consumers and enterprises have further accelerated the growth of the server market. Especially in AI technology applications, there has been explosive growth in demand for servers, making it one of the hottest markets today. ESON utilized its years of manufacturing experience in the field of servers to seize the opportunity of this wave of rapid growth. As a pioneer in the field of manufacturing, ESON continues to manufacture AI servers driven by technological innovations and market demand, and has quickly gained a foothold in the market with its outstanding technical and manufacturing capabilities.
- B. Application of electric vehicle products: Electric vehicles still play a significant role in driving upstream and downstream development of the industry chain. The upstream of the industry will be affected by advancements in AI, and automotive chips and sensors will maintain a relatively high growth rate. The downstream industry is affected by the increase in the overall number of new energy vehicles and the total number of retired vehicles. Charging services, power battery recycling, and after-market services are expected to have huge market potential in the future. In addition, as technology continues to advance and costs are lowered, electric vehicles are expected to reach price parity with fuel vehicles, which will be a turning point for the popularization of electric vehicles. For nearly a decade, ESON has focused on processes for new energy vehicles and accumulated a wealth of experience in car part development, allowing the Company to begin transitioning into an assembly supplier. In the future, ESON will focus on the planning and product development of parts related to charging piles; additionally, the Company will actively strategize to become an assembly supplier for new energy vehicles.
- C. Netcom product applications: With technological advancements and policy support in the communications industry, the low-orbit satellite communications industry will grow rapidly over the next few years. Technological advancements have reduced the cost of manufacturing and launching satellites, and improved satellite performance, making low-orbit satellite networks a key solution to meet global coverage and high-speed communication needs. Policy support has accelerated the development of the industry chain and driven technological innovation and market expansion. The low-orbit satellite communication market is expected to continue growing over the next five years, and companies upstream and downstream of the industry chain will see even more opportunities for cooperation and development. As low-orbit satellite technology continues to mature, the bandwidth, latency, and reliability of satellite communication services have all improved. These performance improvements will increase user confidence and satisfaction with satellite communication services, and thereby drive user growth. ESON's development experience in cars and consumer electronics offers exceptional mold technology and advanced equipment that can satisfy production capacity and generate outstanding revenue

for netcom equipment, especially in the aspect of low orbit satellite communications.

- D. New energy-related products: With the world transitioning to new energy sources, the continued innovation and upgrade of new energy technologies have become the core force driving industrial development. Many countries and regions have introduced policies and development goals to accelerate the development of new energy industries. These policies involve tax subsidies, preferential taxes, financial support, and construction projects, and aim to create a more favorable market environment for enterprises to drive the application and popularization of new energy technologies. These policies provide strong external support that allow the industry to thrive. As an active participant in the field of new energy, ESON is well aware that technological innovation and strategic cooperation are crucial to seizing industry opportunities. The Company fully leverages the equipment scale and geographical advantages of its overseas factories, and is committed to engaging in deeper cooperation with local industries to better meet the diverse needs of customers around the world. By partnering with different countries in development, ESON is able to rapidly respond to market changes, provide more efficient and green new energy solutions, and push the world towards new energy sources.

(1) Industry Overview

1. Industry Development and Current Situation

The global manufacturing market is undergoing rapid change. With the rise of emerging markets and the rapid development of technologies, the manufacturing industry is currently shifting to emerging markets. At the same time, developed countries are also working hard to maintain their competitive advantages through technological innovation and industry upgrade. The competitive landscape of the global manufacturing market is changing, and companies need to continue to innovate and adapt to the changing market environment.

Development trends of the manufacturing industry include digital transformation, intelligent manufacturing, and green manufacturing. Digital transformation can improve production efficiency, reduce costs, and optimize supply chain management. Intelligent manufacturing can improve product quality and the automation level of production lines. Green manufacturing can reduce energy consumption and emissions and improve resource utilization efficiency. These trends bring tremendous opportunities and challenges to the Company.

The Company is actively developing products for various fields in response to changes in industry dynamics, and its structural parts and assembled parts are mainly used in LCD TV-related industries, automotive industries, servers, and low-orbit satellite network. Industry changes in end products will also directly affect the Company's business development:

A. Server

As the core equipment for data storage, processing, and transmission, the server market continues to grow and new competitors continue to enter the market following the world's digital transformation and the development of new technologies. According to forecasts of market research institutions, such as the IDC, the global server market will continue to grow in 2025. In particular, emerging technologies such as cloud computing, big data, and AI have created growing demand on data processing, storage, and transmission from companies and organizations, and will drive the continued growth of the server market. The global server market is expected to reach new heights in 2025, providing strong support for digital transformation and the development of emerging technologies.

According to a study by TrendForce, global server shipments are expected to reach approximately 13.654 million units in 2024, with an annual growth rate of 2.05%. Among them, AI servers accounted

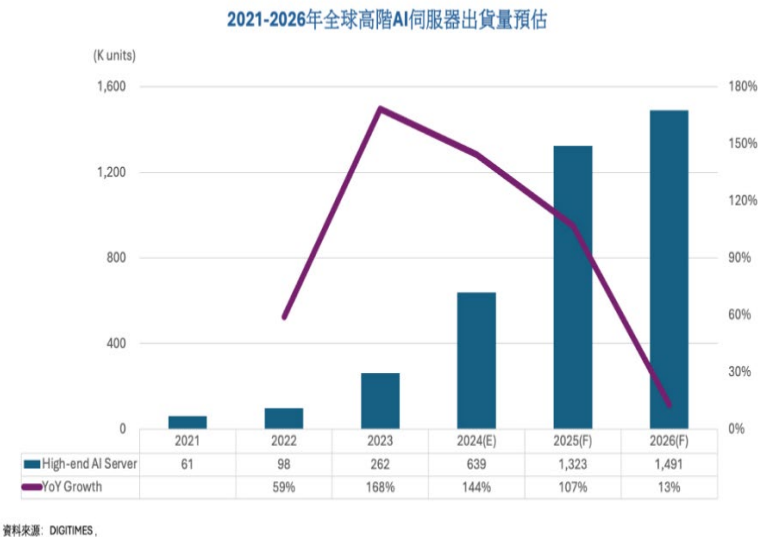
for approximately 12.1%with the rapid development of technology.

1. Trend in AI server shipments: Global AI server shipments grew by 42% year-over-year in 2024, and was mainly driven by strong demand from cloud service providers (CSPs) and brand customers for building AI infrastructure. AI server shipments are expected to grow by another 28% in 2025, and account for nearly 15% of all server shipments.

2. Outlook on the AI server market: The AI server market is expected to account for 70% and above of the overall server industry's total output value in 2025 with an output value of US\$298 billion. The AI server market segment was estimated at US\$205 billion in 2024, and will further grow to US\$298 billion in 2025.

3. Technology development trends: As computing power increases, liquid cooling solutions will become growingly important in data centers. Nvidia's Blackwell GPU platform is expected to begin mass production and become the mainstream in the first half of next year, which will further drive growth of demand for AI chips and advanced packaging technologies (e.g., CoWoS and HBM).

In the future, the server market have more opportunities for growth and face more challenges as it continues down the path of digital transformation and new technologies are developed. Manufacturers need to continuously innovate and optimize product performance and service models to meet the diverse needs of customers, in order to maintain their leading position in the fierce market competition. In the future, the server industry will continue to maintain high-speed growth and provide important support for digital transformation and the development of emerging technologies.



Source: DIGITIME

B. Electric vehicle-related industries

The electric vehicle industry has shifted from policy-driven development to a new stage of high-quality market-oriented development. The new energy vehicle market has maintained high growth rates for many years. According to forecasts of GGII, global sales of new energy vehicles is expected to surpass 21 million in 2025, and the penetration rate of electric vehicles will reach 23.2%. A research report of Rho Motion also pointed out that global sales of electric vehicles (EVs) and plug-in hybrid electric vehicles (PHEVs) are expected to grow by 18% in 2025, surpassing 20 million vehicles for the first time. This growth trend reflects the increasing acceptance of electric vehicles among consumers around the world.

The global electric vehicle market is currently going through a new wave of rapid growth. According to the latest forecasts of S&P Global Mobility, global electric vehicle sales will increase by 30% in 2025 and is expected to reach 15.1 million units. Its market share will increase to 16.7%, a significant increase compared to the 13.2% in 2024. This data shows the strong growth momentum of the electric vehicle market. Even though some companies remain cautious about electrification strategies, overall market development has been impressive.

Predicted 2025 EV sales by region		
Region	EV market share	YOY change (2025 vs. 2024)
Europe	20.4%	43.4%
US	11.2%	36.0%
China	29.7%	19.7%
India	7.5%	117%
Global	16.7%	29.9%

Source: S&P Global Mobility

Generally speaking, 2025 will be an important turning point for the electric vehicle market. Although some auto brands have chosen to slow down their electrification efforts, the continued growth in demand for electric vehicles indicates that the global auto market is accelerating towards electric. Future competition will focus on technological innovation, price advantages, and infrastructure construction. The popularity of electric vehicles has not only reshaped the auto industry, but also accelerated the global pace towards sustainable development.



C. Consumer electronics industry

According to statistics of Statista, the global consumer electronics market was estimated at US\$1.046 trillion in 2024. This figure may grow to US\$1.177 trillion in 2028. Following the integration and application of cutting-edge technologies such as 5G, IoT, and AI, the consumer electronics market is expected to continue to show strong growth momentum. With the rise of emerging markets in Southeast Asia and Latin America, consumer electronics brands will see more market opportunities and face more challenges. Brands need to have a deep understanding of the needs and characteristics of consumers in these markets, and develop targeted marketing strategies.

For upgrades driven by technology, for example: the widespread application of 5G technology will drive the further upgrade of consumer electronics products. Compared with 4G technology, 5G technology can provide high-speed Internet connection, wider coverage, and higher reliability, which will provide better network experience and application scenarios for consumer electronics products. AI technology is leading the innovation cycle in the consumer electronics industry. The launch of AI terminal products, such as AI PCs and AI mobile phones, will drive rapid growth of the market. The development of IoT technology will improve the interconnection and data sharing between consumer electronic products, and thereby provide consumers with a more convenient and intelligent experience in life. As innovative technologies mature and are applied over the next five years, consumer electronics products will become even more intelligent.

A comprehensive analysis of future trends shows that the global consumer electronics market will continue to show the following characteristics in the next few years: Steady market growth, industrial upgrade driven by technological innovation, growingly diverse products, and dynamic changes in the market competition landscape. According to forecasts, the global electronics market will grow at a compound annual growth rate (CAGR) reaching 12.7% between 2023 and 2030, showing strong development potential. In particular, the integrated application of AI technology is accelerating the growth of the consumer electronics market. The popularization of products such as smart TVs, smart wearable devices, smartphones, and tablet PCs has made the electronic product functions more intelligent and personalized. In addition, the widespread application of AI technology is transforming home appliances and consumer electronics into smart devices with automatic control and optimization functions, further enhancing the user experience and increasing market demand.

This series of trends will bring unprecedented development opportunities and challenges to the consumer electronics industry. Enterprises need to strengthen technological innovation and product upgrades to respond to changes in market competition and seize the growth opportunities brought by AI. As technology continues to advance and market demand increases, the global consumer electronics market will have even greater room for development in the future.

D. Low Earth Orbit Satellite Communications

With the rapid growth of global communication needs, low Earth orbit (LEO) satellite communications has gradually become an important development direction of the future communications industry. Low-orbit satellites are changing the traditional communication model with their advantages of low latency, high bandwidth, and global coverage, and are providing services to remote areas around the world that cannot access ground networks. Technological advancements and innovative business models have brought opportunities for rapid growth of the LEO satellite communications market. One of the greatest drivers of the LEO satellite communications market is the large-scale investment by major technology companies and satellite operators in the deployment of LEO satellite networks. The coverage of these networks will be further expanded in the coming years to achieve global coverage. As the cost of launching satellites decreases, more companies and countries will enter this market, accelerating the construction of global communications infrastructure.

The LEO satellite communications market is currently in a stage of rapid growth, and it will see even more opportunities and face even more challenges over the next few years with technological innovations, business model development, and policy support. LEO satellites will leverage their unique advantages, whether it may be global communications coverage, low-latency applications, or the promotion of high-density application scenarios, to change the landscape in the field of communications. As competition intensifies and industry players engage in more in-depth cooperation, the LEO satellite communications market will become an important pillar of the global communications industry in the future.



Source: Industry Research Department (Jack) - UAnalyze. 2024.07.26

2. Correlation of upstream, midstream, and downstream industry

The Company is engaged in precision mold manufacturing, metal stamping, plastic injection molding and other components products. Upstream raw materials are supplied by well-known domestic and foreign manufacturers and downstream customers are internationally renowned manufacturers. The company's long-term stable operation management has established excellent partnerships with upstream and downstream manufacturers and can obtain first-hand information to facilitate decision-making. The following figure shows the upstream, midstream and downstream relations of the industry at the current stage:

Upstream	Midstream	Downstream
Raw materials	Design, manufacturing	Application customers
Metallic materials	Mold making	Consumer electronic customers
Plastic materials	Metal stamping	Communication industry customers
Coating material	Plastic injection molding	Information industry customers
	Secondary processing / CNC machining, grinding, tapping, welding	Home appliance industry customers
	Casing surface treatment / coating, electroplating, anodization, electrodeposition, printing, laser carving	Automotive industry customers

3. Product development trend and competition

The internal and external components produced by the Company have a wide range of applications, and are currently mainly used in new energy vehicles, consumer electronics, servers, and low-orbit satellite network products. Therefore, changes in the economic situation and technological developments have a considerable impact on our production and sales.

At present, new energy vehicles and low-orbit satellite network products not only compete in product functions, but also emphasize the combination of multiple processes for parts. This highlights the importance of developing new processes or improve existing processes. We added processes such as IML, IMD, and insert molding of stamping parts to current plastic injection molding processes. In addition, the proportion of functional plastic particles is gradually increasing, and the application of plastics with high hardness, high weather resistance, and high impact resistance is expanding in engineering.

In addition to competition in terms of functionality, consumer electronics products now emphasize the diversity of appearance. Therefore, for the selection of materials for machine components, the proportion of metallic materials used is gradually increasing from the early plastic materials. Due to the high heat dissipation and high strength properties of metallic materials, and the integrated molding process, products can be made thinner and lighter, can be placed into more powerful electronic components without affecting its performance, and can be surface treated to improve the quality of appearance. These advantages have made metal components an increasingly popular application.

The demand for personalization and customization is increasing as consumers gain a better understanding of electric vehicles. More and more auto brands are beginning to offer personalized exterior designs, interior configuration, and exclusive service models to meet the unique needs of consumers. For example, auto brands are offering a variety of body colors and interior material options, and even allows consumers to customize modifications according to their personal preferences. This trend indicates that the new energy vehicle market is gradually shifting from product-oriented to consumer-centric, and car manufacturers will need to pay more attention to consumers' personalized needs. In addition, these trends will jointly drive the continued development of the electric vehicle industry, providing consumers with a better driving experience and an eco-friendly and smart transportation option. As technology continues to advance and the market gradually matures, the manufacturing industry can be expected to occupy an even more important position in the field of electric vehicles in the future automobile market.

With product design moving towards lightweight and higher structural requirements, engineering plastics still have a price advantage over metal materials. At the same time, the texture of engineering plastics can be improved through surface treatment. Therefore, brand retailers will differentiate products based on consumer requirements on price, appearance, and functions when selecting raw materials for structural parts of products. In addition, the demand for various consumer electronic products will continue to grow as the market economy continues to develop, and this will drive the further development of the structural parts industry.

4. Market Competition

The Company's primary products include components for new energy vehicles, low-orbit satellite structures, and the design and manufacturing of molds. Key competitors include listed companies such as Yanfeng and Dongshan Precision Manufacturing. Despite facing fierce competition, the Company maintains strong customer relationships and enjoys long-term stable cooperation with

international giants. This has led to consistent order acquisition due to high product yields, recognized by customers. With expertise in metal stamping, plastic injection molding, and various composite processes, the Company meets diverse customer demands. Continual expansion of production capacity, facility automation upgrades, and proactive new product development initiatives further enhance its competitiveness in the industry, ensuring sustainable growth.

4.1.2 Technological research and development

1. Technical level and R&D of the business

A. Technical level:

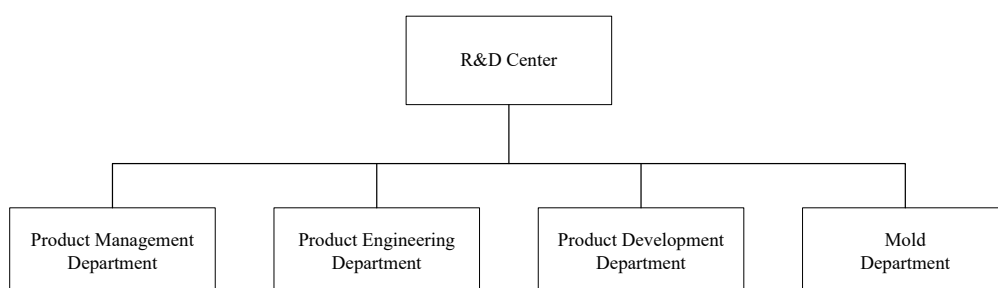
Along with the flourishing trend of diversified new energy vehicles, the demand for components is becoming more sophisticated, and the requirements for product appearance are also elevating. Therefore, the technical capacities of mechanical parts manufacturers will be healthy challenges. In response to the various needs of customers, the Company continues to strive for breakthroughs and innovations, and has introduced the following technologies and manufacturing processes:

As new energy vehicles flourish under the influence of various trends, higher requirements are being set for the precision of components, as well as the appearance of products. This poses a healthy challenge to the technical capabilities of mechanical parts manufacturers. We introduced the following technologies and processes in response to the different needs of customers and their continued demand on breakthroughs and innovation:

- a. Ultra glossy metal polishing technology offers new options for metal exterior aesthetics.
- b. CAE (Computer Aided Engineering) software reduces the risk of abnormal product structure and mold design.
- c. Development of molding technology for thin materials.
- d. Precision sheet metal deep drawing mold technology is widely used in consumer electronics and automotive products.
- e. Aluminum composite panel stamping processing technology and precision side fine groove processing technology.
- f. Installation of a visual inspection system to replace manual inspection in traditional workstations to improve yield and reduce labor costs.
- g. Introduction of automotive exterior process technologies, including coating, foaming, decorative stitching, and other processes.
- h. In summary, the introduction of automated production lines replaces the manual production and inspection roles in traditional workstations to improve yield and decrease labor costs.
- i. Introduction of technology processes such as ultrasonic welding of plastic parts, in-mold tapping, and riveting.
- j. Process research and introduction of insert molding of medium and large stamping parts for plastic parts.

B. Technology development:

The Company has set up an R&D department at the time of its establishment. After successive integration and restructuring, it now has an R&D center, which is mainly responsible for product development, testing, mold design and development, product mass production and customer technical support. The product development department is responsible for product development and testing. The mold design department is responsible for the research and development of new mold technology, the design and development of new product molds and the configuration of forming processes. The product management department is responsible for reporting new product schedules to the customer, providing the necessary technical support to relevant departments and leading technical reviews with customers during the early stages of new projects. The product engineering department is responsible for the improvement of production process development and improvement and provides necessary technical support to relevant departments and customers. The organization chart of the R&D center is as follows:



(2) R&D expense invested in the last five years

Unit : NT\$ thousands

Year \ Item	2020	2021	2022	2023	2024
R&D expense	195,630	199,936	152,333	140,038	143,284
Operating revenues	9,889,935	12,042,445	14,031,536	11,562,007	13,094,331
Ratio of R&D expenses to operating income (%)	1.98	1.66	1.09	1.21	1.09

2. Successful developed technologies or products in the last five years

Year	Research and development achievements	Explanation of research and development achievements	Scope of applications
2020	A jig structure for injection molding processes	A new robotic arm jig structure that can complete material gathering and loading actions within molds was designed. Activating the control system returns the gathering board to its original position. The robotic arm moves upward along with the jig and rotates the jig when the position is reached. The robotic arm continues moving until it is out of the injector. When it reaches the loading position outside of the machine, the suction cup will activate and remove the finished product.	Automated material gathering for injection molding

Year	Research and development achievements	Explanation of research and development achievements	Scope of applications
	A hot pressing process for vehicle interior trims	An in-mold, edge cutting and hot press process was developed. The product's contour is formed in a single operation through in-mold thermal cutting jigs, reducing the need for later secondary processing.	Vehicle carpet interior trim
	A friction welding process	A plastic friction welding process was developed. The jig presses the contact surfaces of the two assemblies to be welded together, causing them to heat by friction. The surfaces melt under the heat and fuse together under the pressure. The weld seal is firm and can withstand 0.3 Mpa under pressure resistance tests.	Car speaker parts and products that cannot be ultrasonically welded
2021	A composite process for vehicle interior trims	A composite technology suitable for vehicle interior trims was developed. The special jig fixes the plastic parts of the substrate and a foaming machine is used for foaming at the armrests. Then, the sewn PVC leather is placed on the jig and the spray glue process glues the two together, and finally the compression molding flexer-flanger completes the fastening.	Suitable for vehicle interior trims
	A car seat frame welding process	A car seat frame welding process was developed. A special clamping jig fixes the product and a robotic arm performs the CO2 welding. The components are tested for weld-bead quality with a penetration tester.	Suitable for car seat frames and other body brackets
	An automated vehicle battery assembly process	An automated vehicle battery assembly process was developed. A handling robotic arm, butt-welding robotic arm, riveter, and air tightness tester uses a master controller to control the actions of each device to complete multiple processes on one assembly line.	Suitable for the assembly of battery parts
2022	A type of padding for car seats	A plastic ultrasound welding technique was developed where the contact surfaces of two assemblies were pressed together in jigs then heated through ultrasonic vibrations. The contact surfaces are melted by the heat and welded into one assembly through the continued application of pressure. The weld location can withstand tensile forces of up to 50 kg.	Suitable for vehicle interior trims
	A type of automotive ventilation conduit	A plastic friction welding process was developed. The jig presses the contact surfaces of the two assemblies to be welded together, causing them to heat by friction. The surfaces melt under the heat and fuse together under the pressure. The product assembly can withstand tensile forces of up to 20 kg.	Suitable for vehicle interior trims
	Single type of wire harness and pipe clamp for cars	The utility model patent is applicable to car products, especially in products with complex structures and a wide range of integrated circuits which have higher requirements for the arrangement and structural deployment of wires. The utility model patent is for a new type of wire harness and pipe clamp that acts as an assistive tool for cable management in cars. It features the advantages of a simple structure, broad applications, low price, and strong applicability.	Applicable to cars
	A type of storage box	With the production transformation of China, single-use turnover boxes are now requiring features such as eco-friendly and maximized cost-savings; the project is a new type of recyclable plastic box: it offers outstanding features such as aesthetics, structurally strong, low cost,	Packaging and transportation

Year	Research and development achievements	Explanation of research and development achievements	Scope of applications
		and ease of production. Not only does the product feature high applicability, it can be customized to the shape and size of various products to drastically reduce shipping costs for short-range logistics and product turnover.	
	A type of device for the securing and removal of servers	The server securing and removal device developed by the Company utilizes a die-cast material molded once then assembled to form a set of modular parts. It offers the advantage of low costs for opening molds, ease of cleaning or replacing damaged parts, and can be disassembled without tools. It's excellent for reducing manufacturing processes, reducing costs, and facilitates the production, assembly, and after-sale servicing of products. It will offer greater survival and technical advantages in the future of the server market.	Applicable to servers
2023	A new type of server switch device and housing	This invention patent discloses a new type of server switch device and housing, which aims to solve the problems of complicated switch device structure and difficulty of assembly in the prior art. The lighting improves assembly efficiency and makes operation more convenient and faster.	Applicable to servers
	A multifunctional auxiliary production fixture structure	The utility model discloses a multifunctional auxiliary production fixture structure, which includes a fixture base structure, a stub bar cutting device and an attached foam structure. The auxiliary production fixture is an auxiliary tool for the production of parts, and mainly reduces labor costs and increases production efficiency. The function of this auxiliary production fixture is to save manpower and work station content for removing the stub bar and attaching the foam. The auxiliary production fixture has a simple structure, is easy to disassemble, saves assembly time, and has high production efficiency.	Applicable to production lines
	An electric vehicle console base structure and overall console structure	The utility model has a reasonable structural design, is small in size, is easy to install, and the air outlet of the air conditioner has an odor removal element that can reduce the odor generated inside the air conditioner, creating a good driving environment for the driver. In addition, a cleaning component is installed at the lower end of the in-vehicle panel installation platform to keep the in-vehicle panel clean and tidy, so that dust will not affect viewing. The device has a complete set of buttons to meet the purpose of installing multi-purpose components.	Applicable to new energy vehicles
	A convenient and easy-to-assemble waterway and mold inside an angle lifter	Disclosed is an angle lifter structure and a mold. The angle lifter structure includes a core and a slot on its outer surface, and the slot extends along the axial direction of the core. The angle lifter includes the body and a block. One end of the angle lifter body passes through the core, the other end of the angle lifter body extends along the axial direction of the core, and the block is located on the other end of the angle lifter body. The block can be connected to the slot, which is used to limit the movement of the angle lifter in the radial direction of the core. Its benefits are: It can prevent the angle lifter from deforming or shaking, so that the angle lifter can move smoothly.	Applicable to production lines

Year	Research and development achievements	Explanation of research and development achievements	Scope of applications
2024	Automotive Interior Trim and Manufacturing Method	This utility model provides an improved processing method for automotive interior trim components. Pre-coated leather or fabric sheets are cut to size based on the product design, preheated, and compression-molded in the injection machine, followed by injection of the rear structure. The method simplifies post-molding wrapping processes, reduces labor time, and avoids the safety and quality issues of direct injection molding	Applicable to Automotive Interior Trim Wrapping Components
	A Drone Housing and the Drone	This utility model discloses a drone housing comprising a left and right cover. The left cover has a connection groove and ribs, while the right cover features a protruding rib and rib slots. The covers are heat-fused together through these features, forming a sealed and reinforced main cover with a permanent connection.	Applicable to Drone and Remote-Controlled Aircraft Products
	A Loading and Unloading Mechanism and a Bending Die	The invention discloses a loading and unloading mechanism comprising a conveyor track, with product supports and check valves arranged along the product transport direction. The check valves, which are placed on the same drive plate connected to a drive mechanism, include a base and a retractable check plate. The check plate advances products in the forward direction during movement towards the unloading area and retracts under pressure from adjacent products. This invention improves automation, simplifies bending processes, solves issues with inconsistent product bending, and reduces production costs.	Applicable to Sheet Metal Bending and Forming Structures
	An Oblique Pin Built-in Quick-Release Water Channel and Mold	The utility model discloses a convenient detachable waterway and mold with an inclined pin, comprising inclined guide rods and a pipe fitting assembly. The guide rods connect to the inclined pin head at one end and the pipe fitting assembly at the other, with an internal hollow water channel connecting to the cooling water passage in the pin head. Two guide rods are used, one for water intake and the other for water outlet. The pipe fitting assembly connects the guide rods to external pipes. This design allows for easy assembly and disassembly of the waterway, improving efficiency by conveniently managing the inlet and outlet of the inclined pin's water path.	Applicable to Mold Structures for Plastic Products

4.1.3 Short-term and long-term business development plans

1. Short-term development

- A. Compete for repeat orders and develop new customers.
- B. Cultivate the relationships between customers and upstream manufacturers and cooperate to create mutually beneficial situations.
- C. Improve process efficiency, expedite production and improve consistency, and enhance product value.
- D. Strengthen the design capacity of the R&D team, and deepen research on TV bases, IoT products, and traditional industrial products and processes.

2. Long-term development:

- A. Continue research and development, expand diverse market product lines, and maintain competitive edge.
- B. Carry out overseas strategic planning, provide local customer service and create business opportunities.
- C. Provide one-stop service, optimize the design R&D to production process, shorten design cycle, enhance product quality, lower production cost, and thus improving customer satisfaction.

4.2 Market and sales overview

4.2.1 Market analysis

1. Main products (services) sales (providing) area

Unit : NT\$ thousands

Sales Area	2023		2024	
	Amount	Ration (%)	Amount	Ration (%)
China	1,176,591	10.18	526,617	4.02
America and Europe	8,886,132	76.85	9,232,127	70.50
Other	1,499,284	12.97	3,335,587	25.48
Total	11,562,007	100.00	13,094,331	100.00

2. Market share

The Company is a professional mechanical assembly plant with vertical integration capacity from product and mold design, metal stamping, plastic molding, various surface treatment processes, to parts assembly. The products are widely used in the automotive industry, information industry, communication equipment, and even lighting products. The Company has accumulated years of experience in mold development, design and manufacturing over a wide range of product specifications. It has professional mold development and design capabilities, and its operating income is growing year by year. The Company has established a foothold in the industry in terms of company scale, production technology and order-taking capacity.

3. Future market supply and demand and the growth

The machine components currently produced by the Company are mainly used in LED TVs 、new energy vehicles and server. At present, large-size TV has established itself a market trend as a mainstream commodity. Moreover, to increase product quality and support strength, large-size TVs require an integrally formed metal frame as a backbone support. Therefore, manufacturers with integrated molding process capacity and surface treatment technology will benefit from this growth trend.

ESON also has experience in large plastic part and stamped aluminum part manufacturing, which can be transformed for use in alternative fuel vehicle part development, achieving continuous revenue growth as the alternative fuel vehicle market expands day by day.

The Company is currently one of the few companies in the industry who are capable of designing and manufacturing large-size LED TV components and new energy vehicle components. The mechanical parts industry is expected to maintain a certain growth momentum in the face of continued growth in market demand and a relatively tight supply of large-size products.

4. Competitive niche

A. R&D design and independent mold making capacity

The Company has excellent ODM research and development capacities, and has authorized and applied over 31 patents, has the capacity to produce its own molds, and improve processing technology and production line efficiency through improvement of mold designs.

B. Complete production line

The Company started its business in the field of metal molds and metal stamping, and subsequently participated in plastic injection molding process, plastic mold manufacturing and surface treatment. These processes cover most of the machine components. In response to various requirements for product materials of the end consumer market, the wide range of processes can also divert market risks.

C. Overseas planning, close collaboration with customers

The Company's customers are mostly international OEMs and renowned brand manufacturers. To meet the local customer shipment requirements, reduce shipping time and shipping costs, and substantially shorten the length of the supply chain, the Company has launched strategic overseas plans since its establishment. Currently, the Company has factories in China, Mexico and Vietnam.

In addition, the Company sees future growth opportunities in the ASEAN and has added the Malaysian plant to meet the production needs of the Southeast Asian market.

D. A wide range of products, expand new business opportunities

In addition to the current large-size TV products, the Company is involved in a range of competitive niche to sustain continued future development, including current development of cloud server infrastructure and automotive and home appliance molds, and joint product development with a number of new venture businesses.

5. Advantages and disadvantages of future development and the countermeasures

A. Advantages of future development

a. Excess market penetration of large-size TVs

Due to a large increase in global shipments of 4K LED TV panels, especially driven by the demand for new stock products and public events, the increase in panel size has resulted in the growing penetration of large-size LED TVs.

b. High technical and capital thresholds, establish competitive edge

In order to meet customization requirements, metal machine components require high mold development technology and surface treatment capacities. For example, complex unibody molding machine components must be processed using large CNC milling machines, which require extremely high production costs.

The Company has vertical integration capabilities from product and mold design, metal stamping, plastic molding, to various surface treatment processes and parts assembly. In recent years, it has actively purchased CNC machines to manufacture large-sized machine components and continues to expand overseas in response to order demands.

Therefore, the Company has established a foothold in the industry, with a clear competitive edge.

- c. Establish long-term stable cooperative relations with international manufacturers
The Company's main customers are international assembly and brand manufacturers. To serve customers, the Company has gradually set up factories overseas to locally take orders and locally ship products, thus expediting and improving the quality of customer communications. Moreover, based on excellent technical capacities, the Company has obtained customer trust and professional certifications, thereby establishing stable long-term cooperative relations. °

B. Disadvantages of future development and the countermeasures

- a. New entrants increase competition and drive down profitability
To participate in industry transformation and increase profitability, traditional plastic injection molding manufacturers started to partake metal components production and compete for market share with low product prices.

Response measures:

Based on excellent technology and design capacities, the Company continues to improve processes and production line efficiency. At the same time, it has a well-established strategic overseas layout. The Company has established a competitive advantage and strong foothold in terms of customer relations, capacity expansion and product applications.

- b. Impact of alternative raw materials
In response to lightweight and compact requirements, 3C products need to use high-strength, high-heat-dissipating materials. Based on the common materials used in current mechanical components, metallic materials are superior to plastic materials in terms of strength and heat dissipation. However, the development of plastic (polymer) composite materials, such as glass fiber and carbon fiber materials, are now on par with metallic materials in terms of strength and heat dissipation, which will impact the development of metal mechanical parts.

Response measures:

The choice of material of the machine component will affect the appearance and durability of the product. Considering material cost and strength, the metallic components remain the mainstream option. The Company will follow closely the development trend and continue to assess the feasibility of new material applications and refine the existing technology to enhance competitiveness.

4.2.2 Application of Major Products

1. Major products and their main uses

Major Products	Main Use
Mechanical parts	Various consumer electronics, optoelectronic products
Tooling	Automotive mold and machine component mold development

2. Major products and their products process

A. Plastic parts manufacturing process	B. Stamping Parts manufacturing process	C. Mold making process
Forming	Stamping	Mold making 3D Model
Blanking	Blanking	Product view
Injection molding	Stamping Punching/embossing/burring punch/tapping	Mold diagram design review
Applying protective film	Full inspection	Mold processing assembly
Clean oil stain	Package	Mold test
Burring	Shipment	Production/transfer molding
Package		
Shipment		

4.2.3 Supply of major raw materials

Major raw materials	Supply Situation
Plastic pellets	Good
Steel	Good
Tooling steel	Good

4.2.4 Major Customers with over 10% net sales and Suppliers with over 10% total purchases of the last two fiscal years

1. Major Suppliers of the last two fiscal years

Unit : NT\$ thousands

2022				2023			
Suppliers Name	Amount	%	Relationship with the issuer	Suppliers Name	Amount	%	Relationship with the issuer
N	1,834,883	30.42	-	N	1,607,987	21.50	-
S	855,670	14.19	-	S	482,830	6.46	-
Other	3,340,961	55.39	-	Other	5,388,712	72.04	-
Net Purchases	6,031,514	100.00	-	Net Purchases	7,479,529	100.00	-

Due to the increase in sales of Sever Parts and TV Mechanical Parts, the Company's purchases also increased. However, due to tariff issues, the Company adjusted its procurement strategy, resulting in a decrease in purchase amounts from Company N and Company S

2. Major Customers of the last two fiscal years

2023				2024			
Company Name	Amount	%	Relationship with the issuer	Company Name	Amount	%	Relationship with the issuer
C	6,247,504	54.03	-	C	6,476,088	49.45	-
B	549,543	4.75	-	D	2,297,207	17.54	-
Other	3,008,088	49.28	-	Other	4,321,036	33.01	-
Net Sales	11,562,007	100.00	-	Net Sales	13,094,331	100.00	-

Due to the increase in sales of Sever Parts and TV Mechanical Parts, the Company's revenue also increased.

Status of Employees

Unit : People ; Year ; Year Old

Year		2023	2024	March 31, 2025
Number of employees	Direct labor	2,593	2,343	1,790
	Indirect labor	1,020	1,790	1,685
	Total	3,613	4,133	3,475
Average age		33.5	30.0	30.3
Average years of service		3.33	3.00	3.2
Academic qualification	Doctor Degree	-	-	-
	Master's Degree	0.28%	0.37%	0.40%
	Bachelor's Degree	16.44%	15.19%	17.78%
	High School	27.10%	25.97%	26.39%
	Below High School	56.18%	58.47%	55.43%

4.3 Expenditure on Environmental Protection

4.3.1 According to laws and regulations, the following details the applications, payment, or establishment of pollution facility establishment permit, pollution discharge permit, pollution prevention cost or environmental protection personnel.

The Company is required to apply for pollution discharge permits in accordance with local laws and regulations due to the production process, as follows:

(1) Pollution facility establishment, pollutant discharge permit

Plants	License	Expiry date	Certificate number
Kunshan Eson Precision Engineering Co., Ltd.	Pollution discharge permit	2023.01.16-2028.01.15	91320205795372851M001X
Multiwin de Mexico S.A. De C.V.	Wastewater discharge license	2025.01.30-2026.01.30	TIJ-I-00169/16
Multiwin de Mexico S.A. De C.V.	Exhaust emission license	2024.11.12-2025.11.12	TJ-024/22E2

(2) Establish environmental protection special units responsible for environmental protection projects such as environmental protection engineering construction and technology development, environmental operation performance management, energy conservation and emission reduction promotion, and waste resource recovery technology development.

4.3.2 Explain the Company's improvement of environmental pollution for the recent year and until the

issuance of the annual report, and any pollution disputes and its disposal.

None

4.3.3 Explain the total amount of damages (including compensation) and the company's future response measures (including improvement measures) and possible expenses (including the estimated amount of loss, disposition and compensation incurred due to failure to take countermeasures; if it cannot be reasonably estimated, explanation shall be provided that it cannot be reasonably estimated) in the past two years until the issuance of the annual report.

None

4.3.4 Explain the current impact of pollution prevention and improvement on the Company's earnings, competitive advantage and capital expenditures and the estimated major environmental capital expenditures in the next two years.

(1) The current impact of pollution prevention and its improvement on the Company's earnings, competitive position, and capital expenditure.

In the past two years until the issuance of the annual report, the Company has not had any impact on the surplus, competitive advantage, and capital expenditure due to pollution.

(2) Major environmental capital expenditures expected in the coming years:

Equipment name	Quantity	Expected date of acquisition	Estimated investment cost	Use and anticipated benefit
Operation and maintenance of online surveillance instrument for sewage station	1	per year	RMB 468,000	(COD, ammoniacal nitrogen, total phosphorus, total nickel and other water pollution factors) Equipment maintenance and Monitor wastewater discharge compliance
Operation and maintenance of pollution source online monitoring system (volatile organic compounds)	2	per year	RMB 300,000	VOCs online monitor operation and maintenance, monitor exhaust emission compliance
Maintenance of eco-friendly waste gas facilities	1	per year	RMB 500,000	Replacement of activated carbon in waste gas management facilities and the replacement and repair of fans.

4.4 Employer and Employee Relationships

4.4.1 Employee benefit policies, continuing education and training, work environment for the employees and personal safety protection, the retirement system and the implementation of the system, labor-management consultation and agreement, and the protection of labor rights.

(1) Employee welfare measures

In addition to the health insurance and labor insurance requirements of the Labor Standards Act of the Republic of China, the employee welfare measures of the Company's Taiwan branch include accident insurance and the labor individual retirement account system to protect employee-related benefits.

In addition to social insurance and housing deposit reserve, Chinese employees have regular promotion opportunities each year to reward outstanding employees and year-end bonuses based on

the Company's operating performance. During major holidays, the Company organizes dinner parties and provides annual meal subsidies for various central departments; year-end lottery; to encourage employees in all positions to increase efficiency and reduce costs, bonuses are paid to working proposals.

The employee welfare measures of other overseas operating locations are basically in line with local social security requirements.

(2) Education and training

The Company pays attention to personnel and on-the-job training to improve overall employee quality and work skills:

A. Pre-employment training

The new recruits are trained by the management department according to function of the work post and new recruit conditions prior to work, so that the new recruits can understand the Company's development history, corporate culture, management rules, industrial safety, environmental management, production process, quality control, GP/GA knowledge and relevant legal contents, and concepts.

B. Professional training prior to assuming post

Before special and professional staff and personnel of nationally specified risky/special positions officially assume post, the management department shall guide the units of employment to carry out professional pre-employment training or commissioned external training. The management department shall maintain and manage relevant training and qualification records of job transfers.

C. On-the-job training (including senior management)

Train current on-the-job employees in the Company. The management department timely organizes or uses external training or video education to conduct management training to various levels of the management.

D. Professional skills training

On-the-job product designers or engineers should maintain proficiency over applicable basic skills and receive training to ensure they meet the skills requirements, with emphasis on improving current skills.

(3) Retirement system and implementation status

The Taiwan branch has established an employee retirement-related system in accordance with the Labor Standards Act. The pension is paid by the Company at 6% monthly salary to the individual's labor pension account.

The Company's main operating base is located in China. The Company has been paying five social security funds on a monthly basis, including employee pension security to the local social security bureau. Upon reaching the statutory retirement age, the employee can apply for a pension from the social security bureau.

The employee pension system of other overseas operating locations are basically in line with local social security requirements.

(4) Employer-employee relations and employee rights maintenance measures

The Company's relevant provisions of the collective bargaining agreement are handled in accordance with the law. In addition, the Company greatly values employee's rights and interests. To strengthen labor relations and enhance employee's cohesion, the Company actively communicates with employees, and strives for people-oriented management. In addition to setting up a complaints window and a service team, employees can provide feedback at any time via e-mail or mail box. At present, the labor-management communications channel is open and in good operating condition.

(5) Preventive measures taken to protect safe working environment and employees' personal safety

The company has passed ISO14001 environmental management system standards, OHSAS18001 occupational safety and health management and ISO/TS6949 automotive and quality management systems.

The Company has established the "Safe Production Reward and Punishment Measures" to achieve zero injuries and zero accidents through pre-employment training, professional job training, on-the-job training, and professional skills training.

4.4.2 Any current or potential loss resulting from labor disputes and prevention actions for the past two years and as of the date of this annual report

The labor-management disputes of the Company are mostly compensation for work-related injuries caused by traffic accidents, or occupational injuries caused by improper machine operations. At present, all relevant labor disputes have reached settlements. Because the dispute cases are small compensations, they have no substantial impact on the operation of the Company.

4.5 Cyber security management:

I、State clearly the cybersecurity risk management structure, cybersecurity policy, specific management plan, and resources invested in the management of cybersecurity:

The Company has adopted the rule of cyber security. The Information Technology department is responsible for coordinating with department heads of information, each business unit, internal audit, legal compliance, and human resource, holding regular meetings to announce and inform about cyber security events, making decisions about cyber security matters and further managing and promoting such matters. All of above are to implement the rule of cyber security, to protect cyber security and rights of stockholders, and to achieve the goals of cyber security.

Cyber security threats that the Company currently faces include mainly unexpected interruption of service, data loss, confidential information leakage and all sorts of cyberattack, and the Company has taken the following cyber security protective measures:

- 1.Unexpected interruption of service and data loss: The Company has adopted a hyper-converged host infrastructure, a virtual host for remote backup, and two copies of data backup on two storage media with one of the copies located offsite. Data backup and recovery and remote backup drills are held on a regular basis to ensure uninterrupted operation and no data loss.
- 2.Confidential information leakage: The Company has strengthened its authorization management mechanism and established an authorization management platform to control the real-time authorization status for each system. Confidential documents and key information are controlled by the restriction copies, downloads and outward mail ensuring the security of confidential information.

3.Cyberattack: The Company has reinforced its firewall defense, increased inspection on cyber activities from high-risk regions, checked updates for anti-virus software and operation system daily and randomly, built functions such as blacklist filter and credit score system to block malicious mail, and promoted the concept of cyber security regularly to prevent threats of cyberattacks.

Number of information security personnel: 1 information security supervisor and 1 information security personnel

Information security expenses in 2024: NT\$3 million

Completed 1 information security training for all employees in 2024

Monthly Group information security joint defense meetings

4.State clearly any losses, possible impacts, and countermeasures caused by significant cybersecurity incidents in the year prior to the annual report publication date; if they cannot be reasonably estimated, an explanation must be made as to the fact that they cannot be reasonably estimated:

None

4.6 Important Contracts

Item	Agreement	Counterparty	Period	Major Contents	Restrictions
1	Financing Contract	CTBC Bank Co.,Ltd.	2025/1/1~2025/12/31	Short term loan	None
2	Financing Contract	Taipei Fubon Bank	2022/5/18~2024/5/18	Short term loan	None
3	Financing Contract	Taipei Fubon Bank (Singapore)	2023/5/31~2025/5/31 2024/5/18~2025/5/18 2023/5/18~2025/5/17	Short term loan	None
4	Financing Contract	Taishin International Bank	2024/9/30~2025/9/30	Short term loan	None
5	Financing Contract	Taishin International Bank (Singapore)	2022/9/30~2025/9/30 2024/9/30~2025/9/30	Short term loan	None
6	Financing Contract	E.Sun Bank	2024/12/5~2025/12/6	Short term loan	None
7	Financing Contract	E.Sun Bank (Singapore)	2024/9/21~2025/9/22	Short term loan	None
8	Financing Contract	Citi Bank	2025/1/2~2026/1/1	Short term loan	None
9	Financing Contract	Citi Bank (Malaysia)	2024/12/10~2025/12/10	Short term loan	None
10	Financing Contract	Citi Bank (Singapore)	2025/4/5~2026/4/5	Short term loan	None
11	Financing Contract	CTBC Bank Co.,Ltd. (Singapore)	2025/1/1~2025/12/31	Short term loan	None
12	Financing Contract	HSBC Bank Co.,Ltd.	2024/2/1~2025/1/31		
13	Financing Contract	HSBC Bank Co.,Ltd. (Singapore)	2024/8/1~2025/7/31		
14	Financing Contract	ICBC Kunshan Branch Kunshan Eson	2024/10/15-2025/10/15	Short term loan	None
15	Financing Contract	Bank of China Kunshan Branch Kunshan Eson	2025/1/17-2025/10/23	Short term loan	None
16	Financing Contract	China CITIC Bank Gaoxin Sub-branch	2024/3/15-2025/3/15 (Pending Approval)	Short term loan	None
17	Self-Construction Contract	Estructuras Inteligentes S.A. DE C.V.、Esonmex Monterrey S.A. De C.V.	2023/5/12	Build factory	None

5 Review of Financial Position, Management Performance and Risk Management

5.1 Analysis of Financial Status

Unit: NT\$ thousands

Item \ Year	2023	2024	Difference	
			Amount	%
Current Assets	6,585,542	7,483,660	898,118	13.63
Funds & Investments	4,794	5,043	249	5.19
Fixed Assets	4,543,665	4,613,705	70,040	1.54
Intangible Assets	4,582	20,360	15,778	344.34
Other Assets	792,560	825,344	53,144	4.14
Total Assets	11,931,143	12,948,112	1,016,969	8.52
Current Liabilities	3,818,265	4,519,098	700,833	18.35
Long-term Liabilities	435,975	347,521	(88,454)	(20.29)
Other Liabilities	303,480	438,186	134,706	44.39
Total Liabilities	4,557,720	5,304,805	747,085	16.39
Capital stock	1,685,289	1,685,289	-	-
Capital surplus	2,349,249	2,349,249	-	-
Retained Earnings	3,660,541	3,957,322	296,781	11.15
Exchange differences on translation of financial statements of foreign operations	(316,039)	(342,936)	(26,897)	8.51
Total other equity interest	(5,617)	(5,617)	-	-
Treasury shares	-	-	-	-
Non-controlling interests	-	-	-	-
Total Stockholders' Equity	7,373,423	7,643,307	269,884	3.66
Description of major changes: (The amount changed by more than 10%, and reached 1% of the total assets of the year, which is NT\$119,311 thousands) Current Assets increased: Mainly due to increase in accounts receivable. Total Assets increased: Mainly due to increase in accounts receivable. Current Liabilities increased: Mainly due to increase in short-term loan and accounts payable. Other Liabilities increased: Mainly due to increase in deferred tax liabilities. Total Liabilities increased: Mainly due to increase in short-term loan and accounts payable. Exchange differences on translation: The impact of exchange rate changes. Total Stockholders' Equity increased: Mainly due to increase in retained earnings.				

Data : The financial information has been audited by CPA

5.2 Analysis of Operation Results

1. Comparative Analysis of Financial Performance

Unit: NT\$ thousands

Item \ Year	2023	2024	Difference	
			Amount	%
Net Sales	11,562,007	13,094,331	1,532,324	13.53
Cost of Sales	9,269,382	10,570,254	1,300,872	14.03
Gross Profit	2,292,625	2,524,077	231,452	10.10
Operating Expenses	1,428,153	1,757,317	329,164	23.04
Operating Income	864,472	766,760	(97,712)	(11.30)
Non-operating Income and expenses	42,337	12,008	(30,329)	(71.64)
Income Before Tax	906,809	778,768	(128,041)	(14.11)
Net Income	597,466	566,427	(31,039)	(5.20)
Description of major changes: (The amount changed by more than 10%, and reached 1% of the total assets of the year, which is NT\$129,481 thousands) : (1) Net Sales increase: Mainly due to the increase in Server components. (2) Cost of Sales increase: Mainly due to increase in Net Sales. (3) Gross Profit increase: Mainly due to the increase in operating revenue, resulting in higher gross profit. (4) Operating Expenses increase: Mainly due to the increase in selling and administrative expenses. (5) Non-operating Income and expenses increase: Mainly due to increase in Net Sales. (6) Income Before Tax decrease: Mainly due to the increase in exchange losses. (7) Net Income decrease: Mainly due to the increase in operating expenses.				

Data : The financial information has been audited by CPA

2. Expected Sales Volume and Basis:

The company has not prepared or disclosed any financial forecasts; therefore, this is not applicable.

5.3 Analysis of Cash Flow

5.3.1 Cash flow Analysis for the Current Year

Item \ Year	2023	2024	Increase (Decrease) Amount	(%)
Operating Activities	2,412,363	828,951	1,583,412	(65.64)
Investing Activities	(918,938)	(425,805)	493,133	(53.66)
Financing Activities	(516,677)	(453,520)	63,157	12.22
Analysis of financial change : Net cash inflow from operating activities decreased: Mainly due to increase in accounts receivable and inventory. Cash outflow from investing activities decreased: Mainly due to the decrease of payment for property, plant and equipment. Cash outflow from financing activities decreased: Mainly due to increase in long-term borrowings.				

Data : The financial information has been audited by CPA

5.3.2 Remedy for Cash Deficit and Liquidity Analysis and Cash flow Analysis for the Coming Year

Not applicable.

5.4 Major Capital Expenditure

None

5.5 Investment Policy in Last year, Main Causes for Profits or Losses, Improvement Plans, and the

investment Plans for the Coming Year

5.5.1 Investment Policy in Last Year

The Company's current investment policy mainly focuses on basic business-related investment targets and is not engaged in investments in other industries. Relevant executive departments adhere to the “Subsidiary Operation Management Measures”, “Investment Cycle” of the internal control system and “Acquisition or Disposal of Assets”. The aforementioned methods or procedures are discussed and approved by the board of directors or at the shareholders meeting.

5.5.2 Main Causes for Profits or Losses, Improvement plan

As of Dec 31, 2023 ; Unit ; NT\$ thousands

Name of Company	Investment gain of loss in last year	Main Causes
Multiwin Precision Ind Pte. Ltd.	12,010	Good operating condition
Global Sun Trading Co., Ltd.	593,009	Good operating condition
All Spacer Enterprises Co., Ltd.	10,707	Good operating condition
Multiwin de Mexico S.A. de C.V.	59,975	Good operating condition
Heng Xie Enterprises Limited	991	Good operating condition
Eson Europe S.R.O.	(3,313)	Due to poor European consumer market conditions under the influence of the European debt crisis, the Company will reposition Eson Europe SRO as a customer service base in Europe. In addition to serving existing customers, it will conduct local market research and business marketing, and provide other companies within the group opportunities to take production orders. Local production equipment has been transferred to other plant locations for use or direct disposal.
Grand Liberty Co., Ltd.	(9,285)	Mainly due to reduced production orders, resulting in losses
Ample Wealth Enterprise Ltd.	11,789	Good operating condition
Zeal International Co., Ltd.	18,585	Good operating condition
Eson Precision Industry (Singapore) Pte. Ltd.	653,522	Good operating condition
Eson (VN) Precision Industry Co., Ltd	(41,345)	Mainly due to reduced production orders, resulting in losses
Esonmex Monterrey, S.A. de C.V.	8,268	Good operating condition
Eson Precision Engineering (Malaysia) Sdn Bhd	(10,611)	Mainly due to reduced production orders, resulting in losses
Eson Batupahat Precision Engineering Sdn. Bhd.	(21,026)	Mainly due to reduced production orders, resulting in losses
Unique Champion Co., Ltd.	15	Good operating condition
Eson Slovakia A.S.	(2,184)	Due to poor European consumer market conditions under the influence of the European debt crisis, the Company will reposition Eson Europe SRO as a customer service base in Europe. In addition to serving existing customers, it will conduct local market research and business marketing, and provide other companies within the group opportunities to take production orders. Local production equipment has been transferred to other plant locations for use or direct disposal.
Kong Eagle International Limited.	10,230	Good operating condition
Zenith Profits Co., Ltd.	(116)	Mainly due to reduced production orders, resulting in losses
Blackyotta Inc.	632	Good operating condition
Kunshan Eson Precision Engineering Co., Ltd.	(11,329)	Mainly due to reduced production orders, resulting in losses
Yantai Zheng Yi Precision Electronics Co., Ltd.	12,425	Good operating condition

Name of Company	Investment gain of loss in last year	Main Causes
Wuxi Xinguan Metal Science & Technology Co., Ltd.	(9,061)	Mainly due to reduced production orders, resulting in losses
Dongguan Yihong Precision Mould Co., Ltd.	10,331	Good operating condition
Kunshan Kang Rui Package Material Co., Ltd.	(1,409)	Mainly due to reduced production orders, resulting in losses

5.5.3 The investment Plans for the Coming Year

In the future, the company's main investment strategy is to focus on customers' strategic needs and basic business-related investments. The scale of operations will be expanded on a case-by-case basis, and relevant executive departments will adhere to the internal control system and "Procedure for Acquisition or Disposal of Assets."

5.6 Analysis of Risk Management

5.6.1 Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation of Corporate Finance, and Future Response Measures

1. Interest Rate

The interest rate risk of the Company is mainly derived from the long-term and short-term bank loans required to support business and investment activities. In addition to strengthening close contact with banks and understanding interest rate movements to obtain the most favorable loan interest rates, the Company will also effectively use various financial instruments through sound financial planning to reduce the risk of fluctuating interest rates.

2. Foreign Exchange Rate

The daily operations of the Company use US dollars as a functional currency; The Company is mainly affected by fluctuations in the exchange rates of the renminbi to the US dollar. However, relevant risks on the Company's profits and losses are manageable. In response to the potential exchange risk and the impact of exchange rate fluctuations on profit and loss, the Company collects market information, conducts trend judgment and risk assessment, and maintains close contact with banks to fully grasp the trends in exchange rates and make appropriate adjustments, thereby reducing the risk of exchange rate fluctuations.

3. Inflation

The company's profit and loss has not been significantly affected by inflation. The Company will keep abreast of fluctuations in market prices and maintain good interaction with customers and suppliers, and suitably adjust its procurement and sales strategies. Therefore, the Company should be able to respond to the impact of future economic changes due to inflation or austerity, thereby reducing the impact on profit and loss.

5.6.2 Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-Risk, High-Leverage Investment, Loaning or Endorsement Guarantees and Derivatives Transactions

The Company's financial policy is based on stable and conservative principles, and does not engage in high-risk, highly leveraged investment; In addition, the Company has established the "Operating Procedures for Lending Funds to Other Parties", "Operating Procedures for Endorsement Guarantees" and "Procedures for Engaging in Derivatives Trading". All relevant operations are carefully

implemented after considering risk conditions and related regulations. Other than Company-subsidaries and subsidiaries-subsidaries relations, the Company does not have endorsement guarantees and capital loans with other companies. Additionally, those already applied for endorsement guarantees and capital loan are handled in accordance with relevant operating procedures. The Company has not engaged in any derivative trading.

5.6.3 Future Research & Development Projects and Corresponding Budget

The Company's R&D expenditure in 2024 and 2023 were NT\$143,284,000 and NT\$140,038,000, accounting for 1.09% and 1.21% of the year's operating income. The combination of ESON's business and customer resources allowed for the use of engineering analysis in R&D design and resource integration to manufacture new products (cooling systems). In the future, this will be expanded to high-value applications with high heat flux density.

➤ Future R&D plans:

1. Design and development of high power CPU cooling systems
2. Introduce assembly and welding technology for cooling systems

➤ Expected future R&D investment: Approximately 1.7% to 2.5% of the annual net revenue.

5.6.4 Effects of and response to changes in policies and regulations relating to corporate finance and sales

The country of registration of the Company is the Cayman Islands, and its main operating countries include China, Singapore, Malaysia and Mexico. Each of the Company's business is executed in accordance with the legal requirements and relevant policies of the country of registration and the country of major operation. Moreover, the Company is well informed of policy changes and development trends and responds to changes in the market environment and takes appropriate measures in a timely manner. The Company has not had a significant impact on its financial business due to changes in important policies and laws at home and abroad.

5.6.5 Effects of and response to changes in technology and the industry relating to corporate finance and sales

The Company stays abreast of the changes in the technology and product demand of the industry, grasps the market trend, and evaluates its impact on the Company's operation. In the past year at the time of issuance of the annual report, the Company has not had a significant impact due to a major technological or industrial change.

5.6.6 The impact of changes in corporate image on corporate risk management, and the Company's response measures

Since establishment, the Company has focused on its business operations. Business results and company reputation have been excellent. In the past year at the time of issuance of the annual report, and there has not been any change in corporate image causing corporate crisis.

5.6.7 Expected benefits from, risks relating to and response to merger and acquisition plans

The Company has not had plans of mergers in the past year and up to the date of report. However, if there is a merger and acquisition plan, it will be handled according to the "Procedures for Acquisition

or Disposal of Assets” of the Company. Moreover, to reduce possible risks, if the company discovers the potential merger target company in the future, it will carefully evaluate and consider the merger and the effects thereof, and consult relevant professionals. The merger decision shall be prepared and handled timely and with reasonable conditions to ensure the Company's interests and overall shareholders' rights.

5.6.8 Expected benefits from, risks relating to and response to factory expansion plans

The Company founded Esonmex Monterrey S.A. de C.V. in December 2021 in response to orders from customers in North America. Production commenced in November 2023.

5.6.9 Risks relating to and response to excessive concentration of purchasing sources and excessive customer concentration

1. Purchasing

The Company avoids single supplier sources for each major purchase item except for suppliers with unique quality factors and customer certification. The purchase ratio of the largest supplier in 2023 and 2024 is 30.42% and 21.50% respectively. The top ten suppliers' purchase ratios were 62.90% and 56.86%, respectively. The overall purchase did not focus on a single supplier. The main raw materials required for the production of components of consumer electronic products at the Company, including metal materials, composite parts and plastic parts, are available from a wide range of suppliers. There is no concentration of purchases from a single supplier risking out-of-stock worries.

2. Sales

The Company's main sales target are international OEMs and brand manufacturers of consumer electronics products such as TV, computer, and ICT. The sales ratios of the customers of the largest sales in 2023 and 2024 are 54.03% and 49.46%, respectively. The sales ratios of the top ten customers were 90.33% and 91.27% respectively. Although there are concentrated sales of goods, due to industrial characteristics, downstream brand manufacturers are mostly concentrated on orders from international OEMs. In addition, due to the excellent technical capacities, the Company has won recognitions of international OEMs and brand manufacturers, and thus established a dominant position in the industry, and has long-term stable cooperative relations with major sales targets. The Company is also actively involved in R&D of new products, thereby reducing the risk of concentration of sales.

5.6.10 Effects of risks relating to and response to large share transfers or changes in shareholdings by directors, supervisors, or shareholders with shareholdings of over 10%

The Company has not had any of the described share transfers in the past year and up to the date of report.

5.6.11 Effects of risks relating to and response to the changes in management rights

In order to strengthen corporate governance, the Company held a full re-election of directors at the shareholders' meeting on October 31, 2012, and introduced independent directors, set up an audit committee to enhance the protection of the overall shareholders' equity. The operating performance of the Company's management team is sound and should continue to receive support from major shareholders.

5.6.12 For Litigious and Non-Litigious Matters, the Company shall Specify if there has been any Substantial Impact upon Shareholders' Equity or Prices for the Company's Securities as a Result of any Major Litigation, Non-Litigious Proceeding, or Administrative Dispute Involving a Company's Director, President, Substantial Person in Charge, or Shareholders Holding more than 10 % of the Company's Shares, and the Matter was Finalized or Remained Pending, and the Company shall Disclose the Facts in Dispute, Amount in Dispute, Commencement Date, Main Parties Involved, and Current Status of the Case as of the Publication Date of the Annual Report

1. There has been any finalized or pending litigation, non-litigious proceeding, or administrative dispute and the matter was finalized or remained pending in the most recent fiscal year and up to the publication date of the Annual Report, and the results may have a significant impact of the Company's shareholders' equity or securities prices:

Suntool Co., Ltd. had a product dispute with its client, leading to the possibility of US\$300 thousand in uncollectible accounts receivable. Furthermore, the client of Suntool's client demanded an additional compensation for damage that amounted to CAD4,000 thousand, and the litigation is still going. Suntool Co., Ltd. has recognized a full impairment loss for the total amount of receivables. In addition, Suntool Co., Ltd. assessed that compensation is very unlikely to occur and thus did not assess the related losses. Suntool Co., Ltd. obtained the documentation for the approval of dissolution on October 23, 2018 which approved the dissolution on September 18, 2018 after related debt declaration and dissolution procedures were completed.

2. The Company's Directors, president, Substantial Person in Charge, and shareholders holding more than 10% of the Company's shares, the results of the litigation, non-litigation or administrative disputes that have been identified or are still in the course of the annual report have been determined, and the results may have a significant impact of the Company's shareholders' equity or securities prices: None.

5.6.13 Other major risks and responses

1. International raw material prices fluctuate greatly, and wages are high, which reduces the risk of profit margins.

In recent years, the cost of international raw materials has increased. Among them, steel plates are the main raw materials for the production of metal stamping components required for Automobile parts and Server parts. Due to the increase in the prices of raw materials, the cost of parts production has increased significantly. This is expected to be the case in the future; In addition, the product process of machine components is labor intensive, but provinces in the mainland have increased their wages, and it is estimated that there will still be room for improvement in the next few years. Therefore, the high cost has become a problem for all component manufacturers.

Response measures

- A. Strengthen production processes, reduce unnecessary manpower in the production process, and train employees to enhance work efficiency and reduce the impact of rising labor costs on operations.
 - B. Establish solid long-term interaction with a number of upstream raw material suppliers to mitigate the impact of raw material price fluctuations and ensure the stability of supply.
 - C. Strengthen inventory and liquidity management to mitigate the impact of fluctuations in raw material prices.
2. Risk of retaining customer orders

Machine component manufacturers have expanded their production capacity and actively upgraded their technology to secure new orders. Under the continuous growth in overall production capacity and competition in the industry, and the rapid changes in consumer market products, the ability to continue to obtain customer orders to maintain high utilization rate at the production line has a huge impact on the Company's operations.

Response measures

The Company is a professional manufacturer of products such as mold development, plastic molding, metal stamping and related surface treatment technology. It can flexibly adjust the appearance of consumer products and can provide customers with one-stop purchase service. The Company operates through diverse products to divert operational risks.

In addition, the Company will increase and meet the customer's order demand with a strategy of serving customers nearby. It has the advantages of economies of scale, which raises the barrier for new market entrants. In the future, it will continue to deepen the cooperation relationship with customers to consolidate the source of orders.

3. Risk of change in technology and major raw materials

In response to lightweight and compact requirements, 3C products need to use high-strength, high-heat-dissipating materials. Based on the common materials used in current mechanical components, metallic materials are superior to plastic materials in terms of strength and heat dissipation. However, the development of plastic (polymer) composite materials, such as glass fiber and carbon fiber materials, are now on par with metallic materials in terms of strength and heat dissipation, which will impact the development of metal mechanical parts.

Response measures

The choice of material of the machine component will affect the appearance and durability of the product. Considering material cost and strength, the metallic components remain the mainstream option. The Company will follow closely the development trend and continue to assess the feasibility of new material applications and refine the existing technology to enhance competitiveness.

4. Risks related to statements made in this annual report

A. Facts and statistics

Certain information and statistics of this annual report are compiled from different statistical publications. However, external publications may be inaccurate, incomplete or not up to date. The Company makes no declaration as to the authenticity or accuracy of such statements in external publications, and investors should not place undue reliance on such information for investment judgment.

B. Forward-looking statements and risks and uncertainties contained in this annual report

Certain forward-looking statements and information about the Company and its related companies contained in this annual report. These statements and information are based on the beliefs, assumptions and current information of the management of the Company. In the current report, "predict", "believe", "can", "expect", "future", "intention", "or will", "must", "plan", "estimate", "seek", "shall", "will", "may", "likely" and similar statements, when used by the management of the Company, are forward-looking statements. Such statements reflect current views of the Company's management on future events, operations, liquidity, and sources of funding, some of which may not realize or may change. These statements are subject to certain risks, uncertainties and assumptions, including other risk factors as described in this annual report. Investors should carefully consider the known and unknown risks and uncertainties involved in relying on any forward-looking statements. The risks and uncertainties faced by the Company may affect the accuracy of the forward-looking statements, including but not limited to the following:

- Chapter 5 of this annual report, description of operations overview
- Statements in this annual report regarding prices, volume, operations, profit trends, overall market trends, risk management and exchange rates.

The Company will not update the forward-looking statements of this annual report or make changes in response to future events or information. In the light of these risks and other risks, uncertainties and assumptions, the forward-looking statements and circumstances of this annual report may or may not occur in the manner expected by the Company or may not occur at all. Therefore, investors should not rely on any of the forward-looking statements.

For other important risks and countermeasures related to the operation of the Company, please refer to the favorable, unfavorable factors and countermeasures of the Company's development prospects on page 77 of this annual report. However, despite these countermeasures, the implementation may still be subject to force majeure and other factors that cannot be fully implemented, and the related risks may still affect the Company's business, operating results, and financial status.

5. Challenges the management team faces in becoming a listed company for the first time

The Company's management team has rich experience in the operation of the industry. However, after stock listing, the Company needs to face a large number of investors or professional investment institutions. The Company is also a foreign company and needs to adapt to the laws and regulations of Taiwan.

Response measures

Before applying for listing, the Company has successively recruited qualified talents required by the various operating locations around the world and has organized excellent team members as a strong backing for management. Moreover, some management personnel have also worked in Taiwan's well-known listed and OTC companies in Taiwan and are thus familiar with relevant local laws and regulations. Therefore, the company is prepared to meet the challenges of becoming a listed company.

6. The Company is a holding company that relies on the performance of its subsidiaries and their ability to distribute dividends and is subject to restrictions on the distribution of dividends and the transfer of funds.

The Company is a holding company established in the Cayman Islands with no commercial operations and revenue sources. The Company has no other assets and liabilities other than stock rights to the subsidiaries. Therefore, the profit source mainly relies on its operating subsidiaries. The Company's subsidiaries in China and in Singapore are the source of profit for the Group's important operations. Therefore, the issuance of cash dividends of the Company will be affected by the cash dividends of the subsidiaries or the surplus reserves.

However, the cash dividends issued by the subsidiaries will be subject to the restrictions on the local state dividends, regulations on repatriation of revenues, cash transfers and foreign exchange controls, and will be affected by exchange rate changes. The Company has no full control over these factors.

In addition, the subsidiaries of the Company are separate and independent legal entities. When a subsidiary goes bankrupt, loses its liquidity, reorganizes, liquidates, or realizes its assets, the Company's acquired assets or distribution order will be inferior to the creditors of the subsidiary, including the trading subject of the subsidiaries and the holders of the bonds issued by the subsidiaries. .

The distribution of dividends or other benefits of the Company will be handled in accordance with relevant regulations. It is recommended that investors should understand and consult with experts on the impact of taxation of their own investment holding companies.

7. Risk of protection of shareholders' rights

The Cayman Islands' company law has many different rules from the Taiwan Company Act. Although the Company has amended the Articles of Association in accordance with the "Checklist for the Protection of Shareholders' Rights and Interests of Foreign Issuer in Registration Countries" as stipulated by the Taiwan Stock Exchange Co., Ltd., there remain many differences between local laws and regulations on the operation of the Company. Investors cannot apply the legal rights used to invest in Taiwan companies to protect their investments in Cayman Islands companies. Investors shall fully

understand and consult with experts on whether their shareholder's rights and interests are effectively protected in their investment in a Cayman Islands company.

8. Information security risks:

High-availability data backup systems are established in the information system framework in accordance with the risk level. We strengthen simulation tests and emergency response drills in server rooms and evaluate the operational risks and impact in terms of finance, regulations, and customers. We plan, design, and improve appropriate software/hardware equipment and resources and implement response measures to improve work procedures, reduce risks of system interruption caused by unforeseen natural disasters or human errors, and ensure that we meet the target of system recovery time.

5.7 Other Major items

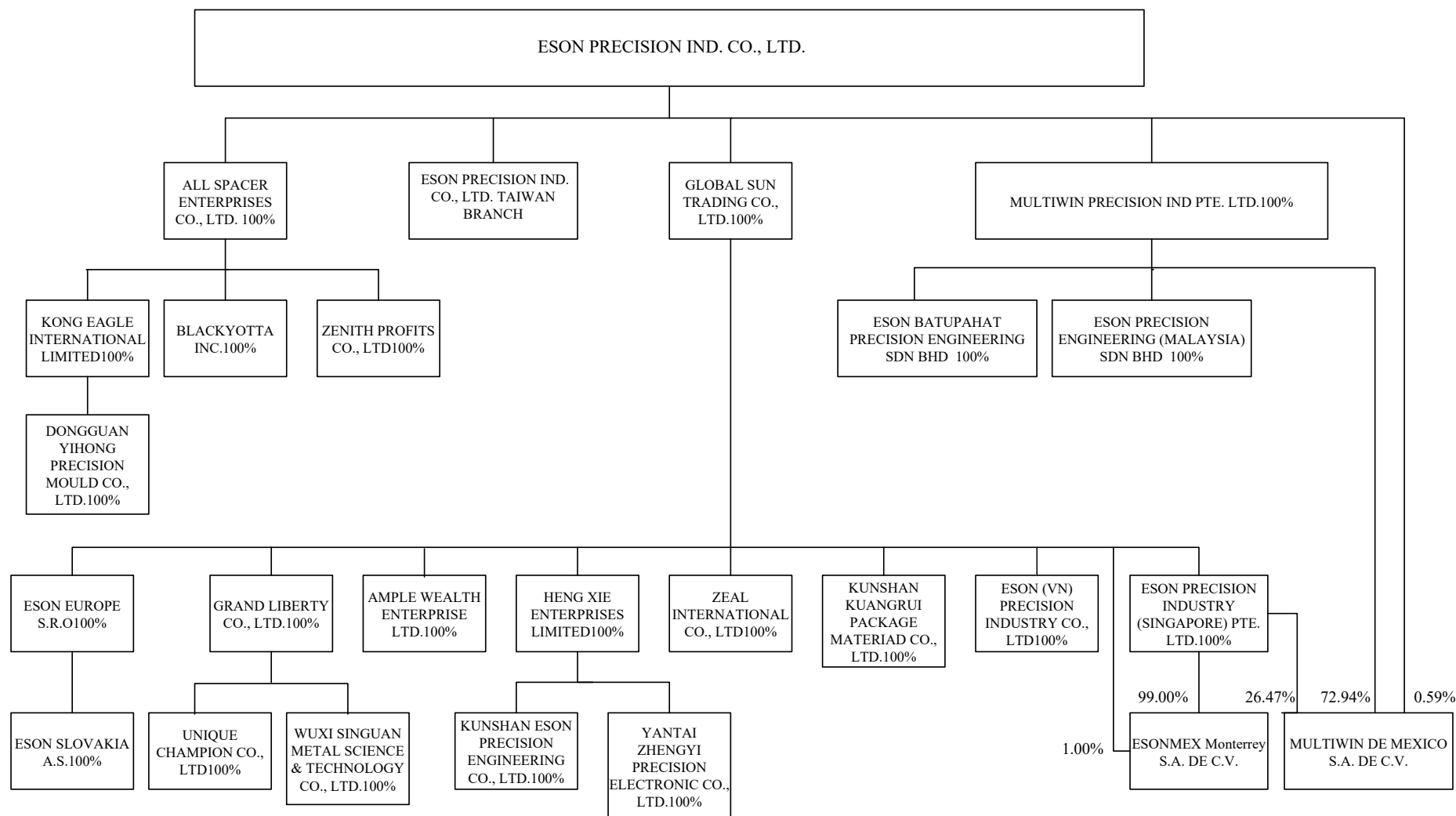
None

6 Other Special Notes

6.1 Summary of Affiliated Companies

6.1.1 The Status of Affiliated Companies

1. Affiliated Companies Chart



2. Basic Data of Affiliated Enterprises

As of Dec 31, 2024 / Unit: In Dollars of Foreign Currencies

NAME OF CORPORATION	DATE OF ESTABLISHMENT	ADDRESS	CAPITAL		MAJOR BUSINESS SCOPE
Multiwin Precision Ind Pte. Ltd.	2009.09.09	Singapore	USD	19,800,001	Sales of molds, plastic products, and hardware products and investment holding
Global Sun Trading Co., Ltd.	2001.05.25	Mauritius	USD	28,100,000	Investment holding
All Spacer Enterprises Co., Ltd.	1999.06.15	Samoa	USD	1,800,000	Investment holding
Multiwin de Mexico S.A. De C.V.	2012.06.21	Mexico	MXN	531,686,000	Manufacture of molds, plastic products, and hardware products
Heng Xie Enterprises Limited	2007.11.14	Hong Kong	HKD	410,514,868	Investment holding
Eson Europe S.R.O.	2007.09.21	Slovakia	EUR	5,397,909	Investment holding
Grand Liberty Co., Ltd.	2006.09.26	Mauritius	USD	15,200,000	Investment holding
Ample Wealth Enterprise Ltd.	2001.11.16	Mauritius	USD	1	Sales of molds, plastic products, and hardware products
Zeal International Co., Ltd.	2005.01.11	Mauritius	USD	1	Sales of molds, plastic products, and hardware products
Eson Precision Industry (Singapore) Pte. Ltd.	2017.03.23	Singapore	USD	19,000,000	Sales of molds, plastic products, and hardware products
Eson (VN) Precision Industry Co., Ltd.	2020.05.13	Vietnam	USD	27,500,000	Sales of molds, plastic products, and hardware products
Eson Precision Engineering (Malaysia) Sdn. Bhd.	2013.05.03	Malaysia	MYR	31,000,000	Sales of molds, plastic products, and hardware products
Eson Batupahat Precision Engineering Sdn. Bhd.	2016.05.10	Malaysia	MYR	19,000,000	Sales of molds, plastic products, and hardware products
Unique Champion Co., Ltd.	2007.05.16	Mauritius	USD	1	Sales of molds, plastic products, and hardware products
Eson Slovakia A.S.	2008.02.22	Slovakia	EUR	4,300,000	Sales of molds, plastic products, and hardware products
Kong Eagle International Limited.	2007.11.04	Hong Kong	HKD	13,505,712	Investment holding
Zenith Profits Co., Ltd.	2006.01.09	Mauritius	USD	1	Sales of molds and hardware products
Blckyotta Inc.	2018.12.10	U.S.A.	USD	200,000	Sales of molds, plastic products, and hardware products
Esonmex Monterrey S.A. de C.V.	2021.12.20	Mexico	MXN	739,940,100	Sales of molds, plastic products, and hardware products
Kunshan Eson Precision Engineering Co., Ltd.	2001.08.08	China	USD	52,010,000	Design, development, manufacture, and sales of molds, plastic products, and hardware products
Yantai Zheng Yi Precision Electronics Co., Ltd.	2009.09.29	China	USD	1,000,000	Design, development, manufacture, and sales of molds, plastic products, and hardware products
Wuxi Xinguan Metal Science & Technology Co., Ltd.	2006.12.15	China	USD	14,000,000	Design, development, manufacture, and sales of molds, plastic products, and hardware products
Dongguan Yihong Precision Mould Co., Ltd.	2004.09.14	China	USD	1,510,000	Sales and Manufacture of precision molds and hardware products
Kunshan Kang Rui Package Material Co., Ltd.	2019.12.23	China	USD	600,000	Packaging material trading and power supply

3. Information for Common Shareholders of Treated-as Controlled Companies and Affiliates : None
4. Business of Eson's Affiliates :

The Company's relevant corporate business operations include general investment and trading, as well as design, development, production and sales of molds, plastic and hardware. All related companies operate according to the overall business plan of the Group.

5. The Directors, Supervisors, and President of the affiliated companies

As of Apr 22, 2025 / Unit: thousand Shares

Name of enterprise	Title	Name/ Representative	Shares Holding	
			Shares	%
Multiwin Precision Ind Pte. Ltd.	Director	Tsai, Chia-Hsiang Lin, You-Ching Lee Huey Fong	-	-
Global Sun Trading Co., Ltd.	Director	Tsai, Chia-Hsiang	-	-
All Spacer Enterprises Co., Ltd.	Director	Tsai, Chia-Hsiang	-	-
Multiwin de Mexico S.A. De C.V.	Legal Representant	Hsiao,Hau-Jou FERNANDO ESQUIVEL CALZADA	-	-
Heng Xie Enterprises Limited	Director	Tsai, Chia-Hsiang	-	-
Eson Europe S.R.O.	Director	Huang, Ching-I	-	-
Grand Liberty Co., Ltd.	Director	Tsai, Chia-Hsiang	-	-
Ample Wealth Enterprise Ltd.	Director	Tsai, Chia-Hsiang	-	-
Zeal International Co., Ltd.	Director	Tsai, Chia-Hsiang	-	-
Eson Precision Industry (Singapore) Pte. Ltd.	Director	Tsai, Chia-Hsiang Lin, You-Ching Lee Huey Fong	-	-
Eson (VN) Precision Industry Co., Ltd.	President	Tsai, Chia-Hsiang	-	-
Esonmex Monterrey S.A. De C.V.	Director	Hsiao,Hau-Jou	-	-
Eson Precision Engineering (Malaysia) Sdn. Bhd.	Director	Tsai, Chia-Hsiang Lin, You-Ching CHAM LIAN SOON	-	-
Eson Batupahat Precision Engineering Sdn. Bhd.	Director	Tsai, Chia-Hsiang Lin, You-Ching CHAM LIAN SOON	-	-
Unique Champion Co., Ltd.	Director	Tsai, Chia-Hsiang	-	-
Eson Slovakia A.S.	Director	Huang, Ching-I	-	-
Kong Eagle International Limited.	Director	Tsai, Chia-Hsiang	-	-
Zenith Profits Co., Ltd.	Director	Tsai, Chia-Hsiang	-	-
Blackyotta Inc.	Director	Hsiao,Hau-Jou	-	-
Esonmex Monterrey S.A. de C.V.	Legal Representant	Hsiao,Hau-Jou	-	-
Kunshan Eson Precision Engineering Co., Ltd.	Executive Director	Tsai, Chia-Hsiang	-	-
	President	Wu, Chien-Chung	-	-
Yantai Zheng Yi Precision Electronics Co., Ltd.	Executive Director	Tsai, Chia-Hsiang	-	-
	President	Wu, Chien-Chung	-	-
Wuxi Xinguan Metal Science & Technology Co., Ltd.	Executive Director	Tsai, Chia-Hsiang	-	-
	President	Wu, Chien-Chung	-	-
Dongguan Yihong Precision Mould Co., Ltd.	Executive Director	Tsai, Chia-Hsiang	-	-
	President	Wu, Chien-Chung	-	-
Kunshan Kang Rui Package Material Co., Ltd.	Executive Director	Tsai, Chia-Hsiang	-	-
	President	Tsai, Chia-Hsiang	-	-

6. The Status of Affiliated Companies

As of Dec. 31, 2024 ; Unit : NT\$ thousands

Name of Subsidiary	Paid-in capital	Total Assets (Note1)	Total Liability (Note1)	Net Worth (Note1)	Revenues (Note2)	Operating Income (Note2)	Net Profit (Note2)	EPS (NT\$)
Multiwin Precision Ind Pte. Ltd.	574,992	1,345,316	109	1,345,207	-	(169)	12,010	0.61
Global Sun Trading Co., Ltd.	842,278	7,195,809	986,872	6,208,937	-	(2,077)	591,492	21.05
All Spacer Enterprises Co., Ltd.	53,022	129,598	-	129,598	-	(43)	10,707	5.95
Multiwin de Mexico S.A. De C.V.	996,097	1,586,326	272,804	1,313,522	2,643,626	126,876	59,974	56.40
Heng Xie Enterprises Limited	1,935,923	2,501,092	-	2,501,092	-	(107)	991	-
Eson Europe S.R.O.	189,672	62,639	75,098	(12,459)	-	(1,126)	(3,313)	Note 3
Grand Liberty Co., Ltd.	736,746	126,861	-	126,861	-	(253)	(9,286)	(0.39)
Ample Wealth Enterprise Ltd.	-	381,066	324,380	56,686	156,836	11,306	11,789	11,789,000.00
Zeal International Co., Ltd.	-	1,609,180	1,598,274	10,906	2,828,938	51,787	18,585	18,585,000.00
Eson Precision Industry (Singapore) Pte .Ltd.	571,805	7,339,919	3,749,536	3,590,383	11,267,252	799,790	653,522	34.40
Eson (VN) Precision Industry Co., Ltd	798,350	798,570	174,154	624,416	143,381	(51,598)	(41,346)	Note 3
Eson Precision Engineering (Malaysia) Sdn. Bhd.	259,737	194,773	6,309	188,464	5,303	(22,754)	(10,611)	(0.34)
Eson Batupahat Precision Engineering Sdn Bhd	154,703	331,915	141,364	190,551	224,101	(12,719)	(21,025)	(1.11)
Unique Champion Co., Ltd.	-	182,109	109,159	72,950	-	(144)	15	15,000.00
Eson Slovakia A.S.	167,485	75,150	22,946	52,204	-	(2,176)	(2,184)	(9,495.65)
Kong Eagle International Limited.	60,637	110,274	-	110,274	-	(107)	10,230	0.76
Zenith Profits Co., Ltd.	-	3,071	-	3,071	-	(127)	(116)	(116,000.00)
Blackyotta Inc.	5,965	8,458	-	8,458	12,716	635	631	3.16
Esonmex Monterrey S.A. De C.V.	1,231,979	1,192,536	114,107	1,078,429	321,896	17,870	8,268	1.12
Kunshan Eson Precision Engineering Co., Ltd.	1,543,839	3,600,551	1,272,962	2,327,589	1,843,943	(59,065)	(11,329)	Note 3
Yantai Zheng Yi Precision Electronics Co., Ltd.	40,218	222,633	62,258	160,375	123,891	6,301	12,426	Note 3
Wuxi Xinguan Metal Science & Technology Co., Ltd.	409,305	118,060	69,410	48,650	-	(23,027)	(9,062)	Note 3
Dongguan Yihong Precision Mould Co., Ltd.	51,727	112,844	12,610	100,234	-333	(20,197)	10,331	Note 3
Kunshan Kang Rui Package Material Co., Ltd.	7,499	8,100	3,998	4,102	22,184	(1,446)	(1,409)	Note 3

Note1 : The exchange rate is based on December 31, 2024 (NTD/USD32.785, NTD/EUR=34.14)

Note2 : The exchange rate is based on 2024 average rate (NTD/USD=32.112, NTD/EUR=34.74)

Note3 : Not applicable.

6.1.2 Consolidated financial statement of affiliated enterprises : Similar to the consolidated financial reports.

Please refer to the Company's 2024 consolidated financial statements as disclosed on the Market Observation Post System (MOPS).

6.1.3 Affiliation Report: Not applicable.

6.2 Subscription of marketable securities privately in the most recent years and up to the date of the report printed

None.

6.3 The stock shares of the Company held or disposed by the subsidiaries in the most recent years and up to the date of the report printed

None.

6.4 Supplementary disclosures

None.

6.5 Occurrence of events defined in Securities Transaction Law Article 36.3.2 that has great impact on shareholder's equity or security price in the most recent years and up to the date of the report printed

None.

6.6 Differences between the Company's Articles of Association and ROC's Shareholders' Rights Protection Guidelines

The Company has amended the Articles of Association in accordance with the important matters of shareholders' rights protection listed in the "Checklist for Protection of Shareholders' Rights and Interests of Foreign Issuer in Registration Countries" as amended by the Stock Exchange on January 9, 2023. However, some important matters on the protection of shareholders' rights and interests are not applicable under the laws of Cayman Islands, and thus has not been amended in the Company's articles of association. Please refer to the following table for details:

Important matters of shareholder protection	Articles of Association and reason for discrepancy
Procedures and resolutions of the shareholders' meeting	
<p>1. The annual general meeting shall be convened at least once a year. It should be held within six months after the end of each fiscal year. Shareholders' meetings are convened by the board of directors.</p> <p>2. The shareholders' meeting shall be held in the territory of the Republic of China. If the shareholders' meeting is convened outside the Republic of China, the stock exchange shall approve within two days after the resolution of the board of directors or the shareholders obtain the permission from the competent authority.</p> <p>3. Shareholders who own more than 1% of the company's outstanding shares are entitled to propose, in writing, agenda items for discussion in annual general meetings. If the proposing shareholder do not hold 1% of the shares, the proposal is not a shareholder's resolution, or there is more than one proposal, they shall not be included in the agenda.</p> <p>4. If the Shareholder continue to hold more than one year and hold more than 3% of the total outstanding shares, they may write down the proposed matters and reasons and request the Board of Directors to convene an extraordinary shareholders meeting. Within 15 days after the request is filed, and the Board of Directors has not notified to convene the meeting, the Shareholder may report to the competent authority for permission to convene</p>	<p>Regarding the extraordinary shareholders' meeting convened by the shareholders, as a result of the Cayman Company Law, such acts are not subject to the permission of the local authorities of the Cayman Islands. Therefore, Article 18.5 of the Articles of Association does not specify that the competent authority should be notified in advance for permission before they convene the extraordinary shareholders' meeting. In addition, since the convening of the extraordinary shareholders' meeting is not subject to the permission of the local authorities of the Cayman Islands, if shareholders hold their own meeting outside the Republic of China, Article 18.5 of the Articles of Association of the Company only stipulates that the Stock Exchange should be notified in advance for approval, instead of "reporting to the Stock Exchange for approval within two days after the shareholders have obtained the permission from the competent authority" as required by the "Important Matters in the Protection of Shareholders' Rights and Interests".</p>

Important matters of shareholder protection	Articles of Association and reason for discrepancy
<p>themselves.</p> <p>5. The following matters shall be listed and explained in the shareholders' meeting agenda, and shall not be proposed via extempore motion:</p> <p>(1) Appointment or dismissal of director, supervisor;</p> <p>(2) Change of charter;</p> <p>(3) Company dissolution, merger, share conversion, division;</p> <p>(4) Concluding, altering or terminating a contract for the lease of all business, entrusted operations or usual co-operation with other ;</p> <p>(5) Cede all or major part of the business or property;</p> <p>(6) Transferring all business or property to others has a significant impact on the Company's operations;</p> <p>(7) Private placement of securities of an equity nature.</p> <p>(8) The director is engaged in the licensing of non-competition activities;</p> <p>(9) All or part of the dividends and bonuses are distributed by way of new shares;</p> <p>(10) The legal reserve and the capital surplus due to the contributed capital in excess of par or income from gift are distributed to the original shareholders by way of new shares.</p>	
<p>1. Voting rights may be exercised electronically or in writing during the Company's shareholders' meeting. However, if the Company complies with the “applicable scope for the Company to adopt electronic voting,” promulgated by the competent securities authority of the Republic of China, the electronic method shall available for exercising voting rights.</p> <p>2. Shareholders’ voting rights may be exercised</p>	<p>In respect of the exercise of voting rights by shareholders in writing or electronically, according to the Cayman Islands lawyers, the Cayman Company Law does not mention whether shareholders who exercise their voting rights in writing or electronically can be deemed to have attended the shareholders' meeting in person, and the Cayman Islands lawyers have not noticed any relevant cases. Thus, the voting in the Company's charter arrangement in writing or electronically is deemed to authorize the voting of the chairman of the shareholders' meeting. Moreover, the voting</p>

Important matters of shareholder protection	Articles of Association and reason for discrepancy
<p>electronically or in writing when the Company's shareholders' meeting is held outside of the Republic of China.</p> <p>3. The shareholders' meeting notice must explain the methods through which shareholders may exercise voting rights in writing or in electronic form. Shareholders who have voted in writing or using the electronic method are considered to have attended shareholders' meeting in person. However, they are considered to have waived their rights to participate in any special motions or amendments to the original agendas that may arise during the shareholders' meeting.</p> <p>4. Instructions to exercise written and electronic votes must be delivered to the Company at least two days before the shareholders' meeting. In the event where there are duplicate submissions, the earliest submission shall be taken into record. However, exception shall be granted if the shareholder issues a proper declaration to withdraw the previous vote.</p> <p>5. If the shareholder decides to attend the shareholders' meeting in person after submitting a written or electronic vote, a proper declaration of withdrawal must be issued in the same method as did the original vote no later than two days before the shareholders' meeting. If the withdrawal is not received in time, then the written or electronic vote shall be taken into record.</p> <p>6. If the shareholder has exercised written or electronic votes, and at the same time delegated a proxy to attend the shareholders meeting, then the voting decision exercised by the proxy shall prevail.</p>	<p>rights of the chairman of the shareholders' meeting are not subject to the 3% shareholding restriction. In this regard, Article 24.4 of the Articles of Association of the Company stipulates that “the shareholder shall be deemed to be the agent of the chairman of the meeting by way of written voting or electronically exercising his voting rights according to written or electronic instructions in the shareholders' meeting in accordance with the provisions of the preceding rules,” rather than “the shareholders who exercise the voting rights in writing or electronically, are deemed to be attending the shareholders' meeting in person,” as stipulated in the “Important Matters in the Protection of Shareholders' Rights and Interests”. Moreover, in Article 25.3 of the Articles of Association of the Company, the voting rights of the agent of the chairman of the shareholders' meeting are not subject to the 3% holding restriction of the total issued shares.</p>
<p>The following agenda involving major rights and interests of shareholders require the attendance of shareholders representing more</p>	<p>1.Regarding the resolution method of the shareholders' meeting, in addition to the ordinary and supermajority resolutions under the ROC laws, the “special resolution”</p>

Important matters of shareholder protection	Articles of Association and reason for discrepancy
<p>than two-thirds of the total issued shares, and more than half of the voting rights of the attending shareholders shall agree to proceed. If the total number of shares of the attending shareholders is less than the aforementioned quota, shareholders representing over half of the current outstanding shares may attend in which two thirds of the attending shareholders must agree to proceed:</p> <ol style="list-style-type: none"> 1. Concluding, altering or terminating a contract for the lease of all business, entrusted operations or usual co-operation with others, the transfer of all or a major part of the business or property, the transfer of all business or property of others that has a significant impact on the Company's operations. 2. Change of charter 3. If the change of the Articles of Association has damaged the rights of preferred stock shareholders, resolution of the preferred stock shareholders' meeting is required. 4. All or part of the dividends and bonuses are distributed by way of new shares; 5. Resolutions on the dissolution, merger or split of the Company. 6. Private placement of securities 	<p>defined by the Cayman Islands' Company Law is also included in Article 1.1 of the Articles of Association of the Company. The special resolution refers to resolutions passed by at least two-thirds of the shareholders of voting rights (vote in person or by appointed proxy) at the shareholders' meeting. The meeting notice must also legally state that the resolution will be carried out by special resolution; However, the Company's Articles of Association may specify a higher percentage and may state that various matters subject to special resolution may be passed by different percentages (but not less than two-thirds). The difference between this and the "Shareholders' Rights Protection Checklist" is that certain matters that should be resolved by supermajority in the "Shareholders' Rights Protection Checklist" are regulated by the Cayman Islands' Company Law in the Company's Articles of Association (refer to point 2 for details). As these differences are due to Cayman Islands' laws and regulations, and the Company's Articles of Association have already listed the supermajority resolutions set out in the "Shareholders' Rights Protection Checklist" in the supermajority and special resolutions in the Company's articles of association, the impact of this part on shareholders' equity should be limited.</p> <ol style="list-style-type: none"> 2. According to the regulations of the Cayman Islands' Company Law, the following matters shall be determined by special resolutions: <ol style="list-style-type: none"> (1)Change of charter <p>According to the laws of the Cayman Islands, the change of charter should be carried out by special resolution specified by the Cayman Islands' company law. Therefore, Article 11.3 of the Articles of Association does not follow the "Shareholders' Rights Protection Checklist" regarding resolution requirement for altering organization documents and the Articles of Association by changing special resolution to supermajority resolution as required by law of the Republic of China. In addition, in accordance with Article 12 of the Articles of Association, if the amendments or changes to the Articles of Association will damage the priority of any type of shares, the relevant amendments or changes shall be</p>

Important matters of shareholder protection	Articles of Association and reason for discrepancy
	<p>subject to the special resolution of the Company's shareholders meeting under the Cayman Islands' company law. A special resolution required by the Cayman Islands' company law is required for such damaged shareholder.</p> <p>(2)Dissolution:</p> <p>According to the laws of the Cayman Islands, if a company decides to voluntarily dissolve due to the inability to pay off its debt when it expires, its dissolution shall be decided by the shareholders' meeting. However, if the company is voluntarily liquidated and dissolved for reasons other than the above, its dissolution shall be subject to the special resolution prescribed by the Cayman Islands' company law. Therefore, the resolution thresholds for the liquidation and dissolution of the Company in Articles 11.5 and 63.1 of the Articles of Association of the Company have not been changed to the supermajority resolutions under the laws of the Republic of China in accordance with the requirements of "Important Matters in the Protection of Shareholders' Rights and Interests".</p> <p>(3)Merger:</p> <p>As the Cayman Islands' company law has mandatory provisions for the voting method for the "consolidation as defined by the laws of the Cayman Islands", paragraph (b) of Article 11.4 of the Articles of Association stipulates that a "merger" (unless the mergers and/or acquisitions, defined by the Cayman Islands' company law, requires a special resolutions) requires a supermajority resolution. The above differences are due to regulations of the Cayman Islands. Although when "the company is voluntarily liquidated and dissolved due to the inability to settle its debts at expiration," the company may only apply ordinary resolutions, the result should be more favorable to shareholders. Moreover, this is only applicable for specific situations and the impact on shareholders' equity should be limited.</p>
Director's authority and responsibility	
1. The Where the company has set up supervisors, the supervisor shall be elected via	The laws of the Cayman Islands does not have an equivalent concept as the supervisor. Moreover, the Company has an

Important matters of shareholder protection	Articles of Association and reason for discrepancy
<p>the shareholders' meeting. At least one of the supervisors must have a residence in the country.</p> <p>2. The term of the supervisor shall not exceed three years. However, the supervisor may be re-elected.</p> <p>3. When all supervisors are dismissed, the Board of Directors shall convene an extraordinary meeting of shareholders within 60 days to elect for supervisor.</p> <p>4. The supervisor shall supervise business operations of the Company and, whenever deemed necessary, inspect the business and financial status of the Company, examine relevant accounting reports and documents and request the Board of Directors or managers to provide relevant reports.</p> <p>5. The supervisor shall examine reports and statements compiled and submitted by the Board of Directors and provide opinions in the shareholders' meeting.</p> <p>6. The supervisor must appoint an accountant or a lawyer to review the matter on behalf of the company.</p> <p>7. Supervisors may attend and express their opinions in the Board of Directors' meeting. Where the Board of Directors or directors conducts business in violation of laws, Articles of Association, or resolutions of the shareholders' meeting, the supervisor shall immediately notify the Board of Directors or the Directors to stop their actions.</p> <p>8. Each supervisor may exercise supervision independently.</p> <p>9. The supervisor may not serve as a company director, manager or other employee.</p>	<p>audit committee. Therefore, there is no regulations related to the supervisor in the Articles of Association.</p>
<p>1. Shareholders who hold more than three percent of the current outstanding shares of the company for more than one year may request the supervisor to institute an action</p>	<p>Since the laws of the Cayman Islands do not have an equivalent concept as the supervisor, and the Company has an audit committee, Article 47.3 of the Articles of Association of the Company provides that “within the scope permitted by</p>

Important matters of shareholder protection	Articles of Association and reason for discrepancy
<p>against the Director on behalf of the Company, and have the Taipei District Court of Taiwan as the court of first instance.</p> <p>2. Within 30 days after the shareholder makes the request, when the supervisor does not file a lawsuit, the shareholder may institute an action on behalf of the Company and the Taiwan District Court of Taiwan may be the court of first instance.</p>	<p>the laws of the Cayman Islands, shareholders who hold at least three percent of the current outstanding shares for at least one year may: (a) In writing, request the independent director of the Audit Committee authorized by the Board of Directors to institute an action against the Directors on behalf of the Company, and may have the Taipei District Court of the Republic of China as the court of first instance; Or (b) In writing, request the independent director of the Audit Committee to institute an action against the Directors on behalf of the Company, and may have the Taipei District Court of the Republic of China as the court of first instance; Within 30 days after the request is made in accordance with the aforementioned Paragraph (a) or (b), if (i) the requested Board of Directors fails to authorize the independent director of the Audit Committee or the independent director of the Audit Committee authorized by the Board of Directors has not filed a lawsuit in accordance with paragraph (a); Or (b) if the independent director of requested the Audit Committee fails to institute an action, within the limits permitted by the laws of the Cayman Islands, the shareholders may institute an action on behalf of the Company against the Directors and have the Taipei District Court of the Republic of China as the court of first instance.” This differs from the “Important Matters in the Protection of Shareholders' Rights and Interests,” which specifies that “Shareholders who hold more than three percent of the current outstanding shares of the company for more than one year may request, in writing, the supervisor to institute an action against the Director on behalf of the Company, and have the Taipei District Court of Taiwan as the court of first instance. Within 30 days after the shareholder makes the request, when the supervisor does not file a lawsuit, the shareholder may institute an action on behalf of the Company and the Taiwan District Court of Taiwan may be the court of first instance.”</p> <p>In addition, local lawyers reminded the following provisions of the Cayman Islands:</p> <p>The Cayman Islands’ company law does not have specific regulations that allow certain minority shareholders to file derivative actions against the Directors in the courts of the Cayman Islands.</p>

Important matters of shareholder protection	Articles of Association and reason for discrepancy
	<p>In addition, the Company's Articles of Association is not a contract between the shareholders and the Directors but the agreement between the shareholders and the Company is that even if the minority shareholders are allowed to file a derivative action against the directors in the Articles of Association, lawyers of the Cayman Islands believe that the Directors will not be bound by the contents. However, under common law, all shareholders (including minority shareholders) have the right to file derivative actions (including litigation against the Directors) regardless of their shareholding proportion or period. Once the shareholder sues, the court of the Cayman Islands will have full discretion to decide whether the shareholder can continue the litigation. Furthermore, even if the Company's Articles of Association permits minority shareholders (or shareholders with the required shareholding ratio or period) to institute an action against the Directors on behalf of the Company, whether the lawsuit can continue ultimately depends on the court of the Cayman Islands. According to a relevant verdict of the Grand Court of the Cayman Islands, when the court of the Cayman Islands considers whether to approve the continuation of a derivative action, the applicable criterion is whether the court believes and accepts that the plaintiff's request on behalf of the Company is substantive on the surface and the claimed wrongful act is made by the controllable company, and the controller can prevent the Company from instituting a reverse action. The court of the Cayman Islands will determine on a case-by-case basis (although the court may refer to the provisions of the Company's Articles of Association, this is not a decisive factor).</p> <p>According to the laws of the Cayman Islands, the Board of Directors should decide on its behalf (instead of individual directors) on behalf of the Company. Therefore, the Directors shall, in accordance with the provisions of the Articles of Association, authorize any director according to resolution of the Board to file a lawsuit against other directors on behalf of the Company.</p> <p>The Cayman Islands' company act does not provide a clear specification to enable shareholders request the Directors to convene a board meeting to resolve specific matters.</p>

Important matters of shareholder protection	Articles of Association and reason for discrepancy
	<p>However, the Cayman Islands' company act does not prohibit the Company from establishing rules relating to the board meeting procedures in the Articles of Association (including the provisions for convening the board meeting).</p>
<ol style="list-style-type: none"> 1. The Directors of the Company shall faithfully carry out the business and perform the duty of observation as a good manager. If there is any violation resulting in damage of the Company, the Director shall be liable for damages. If the act is committed on his/her or other's behalf, the shareholder meeting may resolve deeming the proceeds of the act as the Company's income. 2. If the Director of the Company violates the law and causes damage to others when executing the Company's business, the Director and the Company shall be jointly liable for compensation. 3. The manager and supervisor of the company shall bear the same liability for damages within the scope of their duties as the Directors of the Company. 	<p>Article 47.4 of the Articles of Association of the Company stipulates that “without affecting the obligations of the Directors of the Company in accordance with the common law and company law of the Cayman Islands, the Directors shall faithfully carry out their business when performing business operations of the Company and should fulfill (but not limited to) due diligence in observation and necessary skills, if there is a violation resulting in the Company's damage, the director shall be liable for damages. If such act, in violation of the aforementioned provisions, is committed on his/her or other's behalf, the shareholders' meeting may make an ordinary resolution deeming the proceeds of the of the Director as the Company's income the Director to pay the proceeds to the Company. If the Director and manager of the Company violates applicable laws and/or orders and causes damage to others when executing the Company's business operations, the Director, manager and the Company shall be jointly liable for compensation.</p> <p>In addition, local lawyers reminded the following provisions of the Cayman Islands:</p> <p>The Director's liability to the Company under the laws of the Cayman Islands can be broadly divided into common law responsibilities (professional competence, observation and diligence) and loyalty obligations. However, the Directors are legally obligated under the provisions of various laws and, in certain circumstances, also have obligations to third parties (such as creditors). If the Company is or in the risk of unable to pay off, the Directors should consider the interests of the creditors when fulfilling their obligations.</p> <p>Since the Company's Articles of Association contains agreements between shareholders and the Company, the Directors are not parties to the Company's Articles of Association. Therefore, all rights to damages against the Directors claiming the violation of their obligations should be standardized in the service contract.</p>

Important matters of shareholder protection	Articles of Association and reason for discrepancy
	<p>Under the laws of the Cayman Islands, in general, a manager or supervisor does not have the same responsibility as a company director for a company or its shareholders.</p> <p>However, if the manager or supervisor is authorized to act on behalf of the senior executive, it will be subject to the same obligations as the company's directors. For the avoidance of doubt, companies of the Cayman Islands generally regulates its managers' or supervisors' responsibilities and obligations to the company and its shareholders in their service contracts. Similarly, since the Company's Articles of Association contains agreements between shareholders and the Company, the managers and supervisors are not parties to the Company's Articles of Association. Therefore, all rights to damages against the managers and supervisors claiming the violation of their obligations should be standardized in the service contract.</p> <p>In addition, regarding the provisions of the directors' interests as the company's income, the lawyers of the Cayman Islands believe that such regulations are uncertain and too general, so they have doubts about their enforceability. For example, whether a director's breach of obligation is left to the court to finalize and how the benefit is defined (and the period in which it benefits). The lawyers of the Cayman Islands also believe that this clause does not limit the director's responsibilities. Directors are still subject to various statutory, common law and fiduciary duties under the laws of the Cayman Islands.</p>

Eson Precision Ind. Co., Ltd.

Chairman : Tsai, Chia-Hsiang